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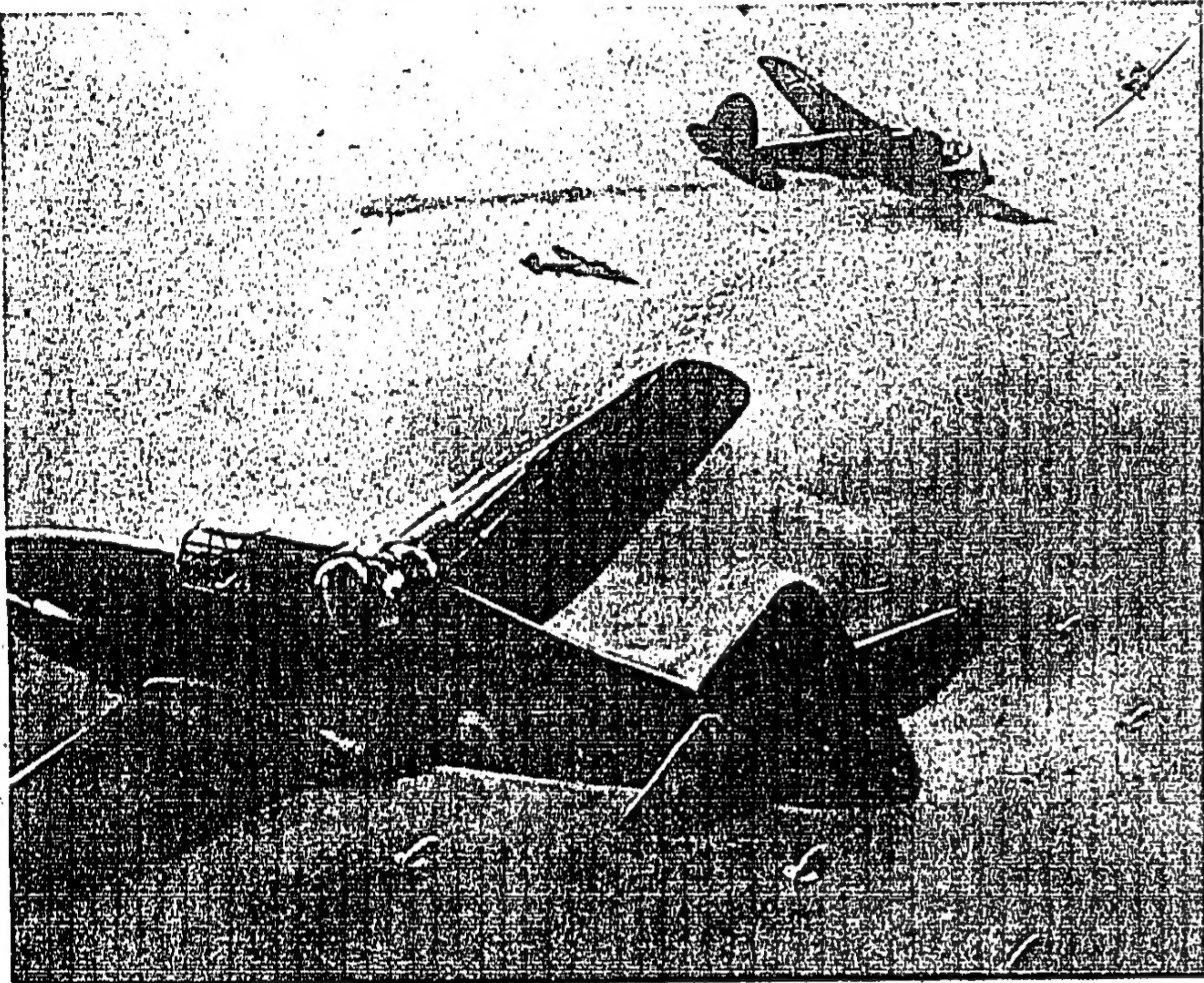
The FIRST EDITION Hongkong Telegraph

FRIDAY, AUGUST 1, 1941. 日九初月六閏

Trade in
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GILMAN'S

How R.A.F. Night Fighter Strikes

This brilliant impression by an artist shows a Boulton Paul Defiant night fighter in action against a Heinkel bomber. Britain's night fighters are playing an ever increasing part in bringing down night raiders. The Defiant in this picture is firing its four guns from the power-operated turret and the Heinkel was so severely damaged that it crashed to earth.



Japan Said To Be Seeking Military Pact With Thai

Special to the "Telegraph"

LONDON, July 31 (UP).—Reports which are independently reaching two interested diplomatic quarters, but are still lacking complete confirmation, state that Japan has informally suggested to Bangkok that Thailand agree to military co-operation with Japan and enter the East Asiatic co-prosperity sphere.

Lull In Desert Warfare

CAIRO, July 31 (Reuter).—During yesterday afternoon the enemy attacked our forward observation points outside the perimeter South-east of Tobruk.

They were driven off by our artillery fire, leaving one wounded man in our hands.

During the night our patrolling activity was continued but no contact was made with the enemy.

In the frontier area an Italian fighter aircraft made a forced landing and the pilot surrendered to our troops, says an official communiqué.

In Syria

Vichy forces in Syria have now handed over all field artillery and fixed guns to the Allied troops, the communiqué adds.

Tank Action

LONDON, July 31 (Reuter).—Mention of British tank action in today's Italian communiqué is interpreted as significant in authoritative circles in London.

It is pointed out that the passage

In view of the reliable indications that the sanctions now being applied against Japan by the democracies will continue to allow loopholes for United States and Dutch oil, United States and Indian cotton and several other commodities, it is doubted whether Japan will go so far as to compel the democracies to plug all sanctions gaps.

Cabinet Meeting

BANGKOK, July 31 (Reuter).—Within 24 hours of the usual weekly meeting held yesterday, an extraordinary meeting of the Thai Cabinet was held at Sunnukulab Palace, the Premier's official residence, this morning.

It is presumed that the latest Far Eastern situation were discussed.

Air Base Near Thailand

BANGKOK, July 31 (Reuter).—Britain's courtesy to and consideration for Thailand are contrasted with the absence of similar thoughtfulness on Japan's part, says an editorial in

TURN to Back Page, Column 4

In the communiqué read in conjunction with yesterday's official British announcement that the British garrison at Tobruk had wrested the initiative from the enemy, indicates a definite strengthening of the British position there.

A.R.P. Director Going To India This Month

Wing-Commander A. H. S. Steele-Perkins, Director of A.R.P., revealed this morning that he had accepted a new position in India and would be leaving for Delhi towards the end of August.

He declared that work on the air raid tunnels was proceeding apace and that new and additional entrances were being constructed.

Referring to the Arsenal Street tunnel, the Director said that it was

being fitted out with electric and lamp lighting, first aid posts, stores and battle gates, the latter being used for the purpose of preventing people coming in from opposite directions, clashing and causing confusion. He hoped that this and other tunnels would be ready for public inspection in the near future.

Japanese Withdraw Troops Lull In China

CHUNGKING, July 31 (Reuter).—According to reports reaching here, Japan originally planned to withdraw 400,000 troops from China for operations in the South Seas and in Manchuria.

Japan is probably withdrawing 100,000 troops at present and there are signs of withdrawals from Central China although definite figures cannot be obtained at present, said a Chinese spokesman this afternoon.

Withdrawals from North China have already begun.

The spokesman said that these withdrawals, combined with the Japanese occupation of Indo-China, have resulted in little activity on the Sino-Japanese front outside the aerial bombings of Chungking.

Disaster In Failure

TOKYO, July 31 (Reuter).—Headquarters revealed that Japanese troops are continuing to go to Indo-China as the Finance Minister, Mr. Masamune Ogura warned the nation that failure of the China affair will mean disaster to Japan.

COURT-MARTIAL FOR M.P.

SPECIAL TO THE "TELEGRAPH"
LONDON, July 31 (UP).—It is officially reported that Major Sir Herbert Paul Latham, Conservative Member of Parliament, has been detained for court-martial for an alleged offence against the military laws.

TITANIC BATTLE OF SMOLENSK: DECISION EXPECTED VERY SOON

LONDON, July 31 (Reuter).—The Battle of Smolensk is being waged on such a titanic scale that it cannot continue indefinitely and a decision can be expected within the next week or two.

This is the view taken in authoritative quarters here where it is pointed out that to a great extent the future course of the war in Russia will depend on the outcome of the Smolensk struggle.

It is almost impossible for either side to stabilise the front over such a vast area. Static warfare such as was known in the last war is scarcely feasible along a front of hundreds of miles. It is now a question of whether the Germans can deploy sufficient new troops and armoured forces to smash the Russian resistance or whether the Russians can hang on and counter-attack with such weight that they will win the battle by completely exhausting the Germans.

General Review Of War

SPECIAL TO THE "TELEGRAPH"
NEW YORK, July 31 (UP).—Soviet troops are reported to be heavily counter-attacking east of Smolensk. Britain has staged an Arctic air attack to aid the Russians. Mr. Harry Hopkins conferred with officials at Moscow on the war needs of the Red armies. These are the latest features of the war.

Marshal Semyon Budenny, commander on the southwestern front was reported by a Moscow radio broadcast to have issued a proclamation asserting that powerful Russian reinforcements have been brought up to enable the Soviets to strike heavy blows on the German forces. He appealed to persons in the occupied areas to intensify their guerrilla activity in a co-ordinated plan to "exterminate" the invaders.

The official German news agency admitted Soviet counter-attacks by infantry backed up by tanks which, it said, were repulsed with heavy losses. The agency claimed that among the Russian troops engaged were Soviet regiments from Siberia.

Mr. Harry Hopkins, accompanied by the American Ambassador, Mr. Laurence Steinhardt saw M. Molotov this afternoon and is scheduled to hold a conference with M. Stalin. A British raid was directed at Kirkenes and Petsamo—used by the Germans as support of their operations against the nearby city of Murmansk. A Stockholm report stated that the operations against Murmansk had made but little headway.

Rome Report
ROME, July 31 (UP).—A Stefani news agency dispatch from Budapest reports that Italian troops headed for the Russian front continue to traverse Hungary in ever increasing numbers.

LATEST

Chinese Seamen Machine-Gunned

The ramming of a Chinese junk and the subsequent machine-gunning of the crew by a Japanese trawler is revealed to have taken place in Chinese waters near the Colony, in a report made to the Police.

Li Kwan-yau, master of the junk, declares that about 8 o'clock on the morning of July 27 he was sailing in ballast near Sha Yau, Chinese waters, when a Japanese trawler approached and rammed him, cutting the junk in half.

As he and his crew clung to the debris, the Japanese opened fire with a machine-gun. Li was wounded in the knee; Fung Cheung, 60, was killed, while Yeung Shui and Lee Tong, two other members of the crew, are missing. Li is now receiving attention in hospital.

Isolated Units

There are indications that German forces are operating east of Smolensk. It is quite possible, therefore, that there are Russians surrounded in this area though it does not necessarily follow that they are trapped. They may be fighting hard self-contained units and the Russian counter-attacks now being launched may well be designed to free these troops.

There is no evidence in London that any large-scale preparations are being made on the Bulgarian-Turkish frontier.

No New Development

MOSCOW, July 31 (Reuter).—The mid-day communiqué states: "During Wednesday night our troops continued fighting the enemy in the TURN to Back Page, Column 4

No Surrender Manifesto To Red Guerillas

MOSCOW, July 31 (Reuter).—A stirring appeal to the people in German-occupied Soviet territory to exterminate the Germans has been made, according to a dispatch to the Soviet official news agency from the front.

The message reads: "Marshal Budenny, Commander-in-Chief of the southwestern front, and M. Khrushchev, Secretary of the Central Committee of the Communist Party of the Ukraine, have made the following appeal to the population of German-occupied Soviet territory.

"We address ourselves to those who are able to handle arms; join guerrilla detachments, create new lines, annihilate the hateful German troops, exterminate the Fascists like mad dogs. Derail their trains, interrupt communications, blow up dumps so that no single gramme of grain is left to the enemy. Move as much as you need for the near future and destroy the rest. Destroy plantations of industrial crops, beetroot—the hour of our victory is at hand. Make every effort to fight the enemy and exterminate him."

Destruction Caused In Raid on Sardinia

CAIRO, July 31 (Reuter).—The Italian aerodrome and seaplane base at Elmas, Sardinia, in the Central Mediterranean was attacked for the first time by R.A.F. machines on Wednesday.

Considerable destruction among enemy aircraft was caused, reports an R.A.F. Middle East communiqué. Five bombers and seaplanes were burned out and a number of others were heavily damaged.

R.A.F. planes sprayed the interiors of the hangars with their guns.

Germany Faces New Air Raid Peril

Special to the "Telegraph"

WASHINGTON, July 31 (UP).—Experts on Russian problems to-day stated that the flight to Moscow by bomber, just completed by Mr. Harry Hopkins, Chief Co-ordinator of the Lend and Lease programme, is likely to prove most significant in regard to future collaboration between the United States, Britain and Russia, because it has proved that a bomber can easily reach Moscow from England.

They asserted that if a single bomber carrying Mr. Hopkins could make the trip, scores of bombers could be similarly flown to strengthen the Russian aerial defences, and if a considerable number of such craft could be placed in Russian hands, operated by the British from the Russian side, then Germany would suffer attacks from both flanks.

TUTUILA APOLOGY INSUFFICIENT

Firm Washington Stand

WASHINGTON, July 31 (Reuter).—Declaring that Japanese apologies for the bombing of the United States river gunboat Tutuila were insufficient to close the incident, Mr. Sumner Welles told pressmen to-day that the United States Government awaits a more complete reply to representations made here and

AID FOR SOVIETS Preliminaries Under Way

LONDON, July 31 (Reuter).—Further discussions regarding United States aid to the Soviet Union were held both in Washington and Moscow to-day.

"Reuters" Moscow correspondent cables to-night that Mr. Harry Hopkins again saw M. Stalin this evening after meeting M. Molotov in the afternoon.

Mr. Hopkins was entertained to lunch by the British Ambassador Sir Stafford Cripps. The American Ambassador Mr. Laurence Steinhardt was present.

In Washington, Soviet Ambassador M. Oumansky General Goltikov, head of the Soviet Purchasing Mission, and Colonel Repin, his assistant, visited President Roosevelt at the White House to discuss American aid to Russia.

Russia Seeks Tankers

WASHINGTON, July 31 (Reuter).—Russia has asked America for the transfer of two United States tankers, newspapermen were told by Mr. Harold Ickes, Secretary of the Interior, to-day.

Eden Sees Envoys

LONDON, July 31 (Reuter).—Mr. Anthony Eden, the Foreign Secretary, saw M. Ivan Malsky, the Soviet Ambassador, and later Mr. John G. Winant, the American Ambassador, this evening.

Aviation Spirit

WASHINGTON, July 31 (Reuter).—Priority rating for the manufacture of 10,000 steel drums to be used for shipping aviation spirit and other petroleum products to Russia have been recommended by the Defence Petroleum Co-ordination Board to the Office of Production Management.

Mr. Ralph Davies, deputy Petroleum Co-ordinator, told newspapermen to-day that the recommendation had followed conferences with representatives of the Amtorg (Soviet Trading Corporation) which had received from the State Department export licenses covering considerable volumes of petroleum products.

Mr. Davies added that arrangements were likewise being made for a tanker service from the western coast to Russia as it may be required.

Mr. Welles said that immediately upon being informed of the incident yesterday morning, a representative of the Japanese Government called at the United States Embassy in Tokyo and expressed deep regrets. This was done before the representations.

After Mr. J. Grew, American Ambassador to Tokyo, had duly carried out his instructions—coinciding with identical representations made by Mr. Welles himself at Washington in conference with the Japanese Ambassador, Admiral Nomura, the Japanese Government made a further preliminary reply.

Mild Satisfaction

WASHINGTON, July 31 (Reuter).—Japan's apologies for the bombing of the gunboat Tutuila during a raid on Chungking have been received here with mild satisfaction. There is no immediate indication that the incident is thus closed.

U.S. Attitude "Not Clear"

TOKYO, July 31 (Reuter).—Authorities here are believed to be doing their utmost to minimise the possible repercussions to the Tutuila incident to which the official American attitude is not clear. Details are lacking at present.

NAZIS IN IRAN

Unlawful Activities Not Tolerated

TEHERAN, July 31 (Reuter).—Following reports that Nazi agents are active in Iran, the Government to-day gave an assurance that it had taken the necessary steps to maintain peace and order.

An authoritative statement condemns alarmist rumours and says that the authors appear to be ignorant of conditions in Iran where law is strictly enforced on all persons without distinction. Moreover, since the world crisis, the Government is determined to safeguard the nation's neutrality and has redoubled its vigilance.

Foreigners Known

The statement continues: "Nobody can disobey the regulations. The acts of business, conduct and way of life of all foreigners are known to the Government, thus making it impossible for them to over-step lawful boundaries and indulge in forbidden activities. We know their number and their names. It is in fact possible to say that the figures that have appeared in this connection are greatly exaggerated."

ISOLATIONISM ABANDONED

SPECIAL TO THE "TELEGRAPH"

NEW YORK, July 31 (UP).—"Fortune" magazine asserts that a survey indicates that the United States has "abandoned isolationism" and by a small margin is now in favour of taking the risk of a shooting war if that is necessary to beat Hitler.

The survey also indicated that most would accept such sacrifices as consumer taxes, curtailed pleasures and longer working hours.

Government House Sewing Centre of the B.W.O.F. will be closed on Monday, August 4, owing to the public holiday.

CLASSIFIED ADVERTISEMENTS

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WANTED KNOWN.

FLOWER and Vegetable Seeds: New Shipments have now been received. Book your order now. Special prices will be quoted for vegetable seeds in bulk. Ask for our Catalogue. The Clover Flower Shop.

FOR SALE.

THE HONGKONG NATURALIST. Vol. X nos. 3 and 4. Price \$4 (postage extra). Now on sale at South China Morning Post Ltd.

Farewell Presentation To Treasury Official

At an impressive ceremony at the Treasury Department, Windsor House, yesterday, the staff of the Treasury bade farewell to Mr. Wong Shu-ki, who retired from the Government after 35 years of continuous service with the Treasury.

Mr. E. W. Pudney, Accountant-General, presided and presented a Rolex wrist-watch and a Parker fountain pen set to Mr. Wong, as gifts from the staff.

Mr. Wong thanked Mr. Pudney and the staff for the handsome presents, and said that he would always treasure them. "They will be a constant reminder of my long and happy association with you all in this Department," he added.

Although, he said, he did not deserve the nice things which Mr. Pudney said about him, in his 35 years' service he had always done his utmost to serve the Government faithfully, conscientiously and to the best of his ability. (Applause).

Mr. Pudney announced that Mr. Tsang On-wing will succeed Mr. Wong as chief of the branch.

Besides Mr. Pudney and Mr. Wong, others present included Messrs A. J. C. Taylor, L. A. Barton, H. S. Martin, H. M. Cockle, P. J. A. Hamilton, Tsang On-wing and J. P. da Silva.

The Hongkong Telegraph Eleventh Annual Amateur Photographic Competition

June—September, 1941.
Two Silver Trophies Awarded by ILFORD LTD.

For the best and second-best entries.

Three Silver Trophies Awarded by EASTMAN KODAK CO.
First Prizes in each of the three Sections.

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(Excluding portraits, plants and flowers).

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2nd \$40. 3rd \$30. 4th \$10

SECTION TWO

Portraiture.
1st KODAK SILVER TROPHY
2nd \$40. 3rd \$30. 4th \$10

SECTION THREE

Plants and Flowers.
1st KODAK SILVER TROPHY
2nd \$50. 3rd \$30. 4th \$10

RULES

- The following Rules will govern the Competition.
- The Competition is open to all photographers.
- The entries awarded the 1st, 2nd, 3rd and 4th Prizes in each Section, will not be entitled to any other prizes.
- The prizes will be awarded to the competitors sending in what are adjudged to be the best photographs in each Section. Each entry must be accompanied by a form which will be published during the period of the Competition, and which must be paraded on back of entry.
- The right to publish any or all of the entries is reserved to the Hongkong Telegraph.
- All photographs entered must have been taken in the Colony of Hongkong. Photographs which have been already entered in other Competitions are ineligible.
- No responsibility will be accepted for non-delivery of, loss of, or damage to entries.
- All entries to be either black, sepia, or toned pictures, and must be mounted in black and white.
- No picture to be entered in more than one Section.
- Mounts to be only white or cream, must be of one of the following sizes:—10x12, 16x20.
- No correspondence will be entered into in connection with the Competition.
- The decision of the Judges shall be final.
- Members of the Staff of the Hongkong Telegraph and the South China Morning Post are not permitted to compete.
- The decision of the Judges shall be final.
- At the conclusion of the Competition, entries will be returned to competitors on application at the Telegraph office within seven days.
- The use of aliases is strictly forbidden.

ENTRY FORM

NAME
SECTION
ADDRESS

Please use block letters and paste one of these forms on back of each entry.

NEW ADVERTISEMENTS.

BANK HOLIDAY

In accordance with Government Ordinance, The Exchange Banks will be closed for the transaction of Public Business on Monday, the 4th August, 1941. (The first Monday in August).
Hongkong, 30th July, 1941.

G. R.

PARTICULARS & CONDITIONS of the Sale by Public Auction to be held on Tuesday, the 6th day of August, 1941, at 3 p.m., at the Offices of the Public Works Department, by Order of His Excellency the Governor of one Lot of Crown Land at Cheung Sha Wan, in the Colony of Hong Kong, for a term of 75 years, commencing from 1st July, 1898, with the option of renewal at a Crown Rent to be fixed by the Surveyor of His Majesty the KING, for one further term of 24 years less the last three days thereof.

Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant) will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, (\$200) in cash. This sum will be refunded on payment of the Purchase price.

PARTICULARS OF THE LOT.

No. of Sale	Locality	Boundary Measurements	Contents in sq. feet	Area, British	Upset Price
No. 257	New Kowloon Inland Lot No. 257, Situated between the East and West Streets and Cheung Sha Wan.	as per sale plan.	about 21,000	about 2,400	\$12,000

The purchaser of the lot will be required to pay to the auctioneer in cash the sum of \$1,250.00 (being 10% of the upset price). Immediately after the fall of the hammer, the balance of the premium being paid in accordance with the Conditions of Sale.

NOTICE

DEFENCE REGULATIONS 1940
The following rates will be charged for mailing single copies of the following newspapers abroad:
South China Morning Post
China and Macao
16 cents per copy
British Empire and Foreign
25 cents per copy
The Hongkong Telegraph
China and Macao
16 cents per copy
British and Foreign
20 cents per copy
25 cents Saturdays.

HONGKONG CAMPS

Figures Show Increase
Following are the figures, supplied by the Director of Medical Services, showing the number of refugees and destitutes accommodated in the various Government camps in Hongkong for the period ending July 26, the figures in brackets being those for July 19:
King's Park 1,382 (1,382); Ma Tau Chung 2,099 (2,177); North Point 1,561 (1,557); Morrison Hill 523 (518); Tai Hang Squatters Camp 2,542 (2,542); Ngau Tau Kok Squatters Camp 838 (761); Kam Tin 2,476 (2,404); Fanning Children's Camp 365 (367).
The total for July 26 is 11,806, compared with 11,727 on July 19, showing an increase of 79.

John Morris Married

Reno, July 31.
John H. Morris, Far East Manager for United Press, and Margarette Tittmann, of Hillsboro, New Mexico, were married here to-day by Judge William McKnight.
Mrs. Milton J. Helmick, wife of the American Judge at Shanghai and aunt of the bride, and Nick Bourne, of Reno, were the attendants.
The bride is the daughter of Mr. and Mrs. Edward Tittmann, of Hillsboro.—United Press.

Swan, Culbertson & Fritz

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PAY DAY—It's pay day in Tobruk, North African town defended staunchly by British against many attacks by Axis forces there. Here are troops of the Imperial Army lining up at paymaster's table.

Wodehouse "Playing Jeeves To Germans" Say Londoners

"Playing Jeeves to Germans," about sums up the criticism of P. G. Wodehouse, which is appearing daily in the correspondence columns of London newspapers. Wodehouse was recently released from a prison camp in Germany, and is now living in the famous Adlon Hotel on the Unter den Linden, Berlin. He is broadcasting weekly to America.

Currency Control Notice

In connection with the proposed changes in currency control in the Colony, it was notified in a Government Gazette Extraordinary issued yesterday that the following banks are those at present authorised by the Governor to deal in foreign currency and that all other authorisations previously made are cancelled:
American Express Company, Bank of China, Bank of Communications, Chartered Bank of India, Australia and China, Chase Bank, Thos. Cook and Sons (Bankers), Hongkong and Shanghai Banking Corporation, Mercantile Bank of India, National City Bank of New York, Nederlandsche Handelmaatschappij, and Nederlandsche Indische Handelsbank.
Amendments to the Defence (Finance) Regulations, 1940, were also notified yesterday.

In connection with Regulation 2, which deals with the restriction of export of currency, gold and securities, etc., the proviso has been repealed. This read "Provided that the provisions of this paragraph shall not apply to any securities if the Governor or a person designated by him is satisfied that all persons interested in such securities, other than persons interested merely as trustees or merely by virtue of any mortgage pledge or charge created before the eighth day of September, 1939, but including any persons beneficially interested in the securities under a trust, are not British subjects."

Under Regulation 4, which placed restrictions on British subjects changing securities, the word "person" is substituted for the words "British subject."

A new Regulation has been inserted after Regulation 4 defining the special powers of the Governor relating to accounts, sterling area, etc. This new Regulation reads:
4A. The Governor, or a person acting on his behalf, may impose such restrictions on the making of payments by bankers in the course of their business as appear to the Governor to be necessary or expedient in connection with special, blocked and registered accounts and other matters ancillary to the inclusion of this Colony in the Sterling area.

In Regulation 5, which deals with the acquisition by Government of certain foreign currencies, the word "person" is substituted for the words "British subject" and "unless the Governor otherwise directs" is added to the fourth line after the word shall. The amended paragraph reads:
5.—(1) Every person resident in the Colony who is, or hereafter becomes, entitled to sell or to procure the sale of any foreign currency to which this Regulation applies, shall, unless the Governor otherwise directs, offer it, or cause it to be offered, for sale to the Government, or to a person designated by the Governor for the purpose of this regulation, at such price as may be determined by or on behalf of the Governor.

Regulation 5 (3) is also amended to read "person" instead of "British subject" in the first line.

Tag Day For Relief

Prizes for Collectors At Chinese Tea Party

Results of the tag day for Chinese Medical Relief held on July 19 by the China Defence League were announced yesterday at a tea-party given by Mrs. Violet Chan, Chairman of the Tag Day Committee, at her home, Po Shan Road. Mme. Sun Yatsen, Chairman, presided at a pleasant informal ceremony when prizes contributed by a number of Hongkong firms were presented by Mrs. Chan to individuals and representatives of organisations participating in the tag day who collected the largest sums.

Miss M. Dudley, Hon. Treasurer, announced that more than \$5,000 had been cleared for the International Peace Hospitals in China through sale of tags and subsequent contributions which were still coming in. Prizes for individual collectors were awarded to Miss Mimi Lau (over \$700), Mrs. W. T. Stanton, Miss Hilda Yen, and many others.

Assisting organizations included the A.N.S., A.R.P. workers, Tung Wah nurses, St. John Ambulance Association, and boys and girls from local schools, many of whom were awarded prizes.

Some 50 guests attended the party, among them Mrs. Rose Chow, Mrs. Chen Hui-shan, Mrs. M. W. Kwan, Mrs. J. M. Tan, Wing-Commander Steele-Perkins, Mr. A. J. Moss, Mr. Robert Ward, and representatives of the China Defence League Committee and all organisations assisting in the Medical Relief drive.

OFFICER KILLED

Fired Upon During Minor Trouble in Burma

Rangoon, July 14.
The following communique has been issued by the Headquarters of the Army in Burma:
General Officer Commanding regrets to announce that at 11.15 on the morning of July 9 Second-Lieutenant E. D. Unwin, one durwan and a clerk were fatally injured and another man wounded by shots fired by two or three members of the military guard at Tadagale (about six miles from Rangoon). All members of the guard have been arrested and handed over to the Police, who are continuing investigations.
It is understood that some minor disturbances had taken place during the night and Second-Lieutenant Unwin was investigating the trouble when the shots were fired.—Reuter.

BUILDING STOPPED

Plans Abandoned Owing To High Costs

The very great increase in the cost of building materials, added to the uncertainty of getting delivery of goods ordered, has resulted in numerous plans for building projects in the Colony both large and small, being cancelled or abandoned for the time being, by their sponsors.

The project for a 10-storey hotel and restaurant on the waterfront in Connaught Road West, and plans for 10 blocks of 40 European flats in Castle Peak Road, have now been abandoned, according to the architects; while other architects report that plans which were drawn up some ago for dwelling houses, schools, flats and houses have been postponed or cancelled entirely.
It is also revealed that in cases where land has been purchased from the Government, owners have written asking for an extension of the time limit for building, owing to the prohibitive cost of construction. The covenant stipulates 24 months. Enquiries made regarding the proposed building by the Hongkong Land Investment and Agency Company, on the St. Francis Hotel site, of a modern structure extending to Ice House Street, elicited that the plans are still under consideration, but as the cost of construction has not yet been ascertained, nothing definite can be revealed at present.

Pre-war cost of materials compared with present day prices, are given below:

Bricks.—Before the war the price was about \$120 for 10,000. The price to-day is \$250.
Cement.—Previously selling at a dollar per bag, it is now \$8 per bag of the same quality.

Steel.—Formerly \$4 to \$5 per picul, now over \$20 per picul.
Timber.—Being sold at almost prohibitive prices, while Canton red tiles, roofing tiles, China air poles for scaffolding purposes, and bamboo poles, are practically unobtainable. General hardware, fittings, etc., have also gone up in price tremendously.

City Sky-Scraper
In one case at least, the high costs of construction have not so far interfered with an ambitious building scheme. Plans are being proceeded with for a modern 12-storey reinforced concrete sky-scraper. It is learned, to be erected in Queen's Road Central opposite the new Loke Yew Building.

The plans have been designed by Mr. J. S. Gibson, architect, of Messrs Gibson and Company, and the estimated cost at present is about \$700,000. The proposed building will have a frontage along Queen's Road Central of 45 ft 9 ins., with a depth of about 111 ft. The ground floor will be designed for use probably as a department store, and the upper floors will be utilised for offices. There will be quarters for a caretaker of the building on the roof.

Entrances to the offices will be either from Chiu Lung Street or Douglas Lane.
The building has been designed on simple lines, the four top floors being set back both in the front and rear to provide further lighting facilities. It is understood that the present buildings on the site are very old and dilapidated, this being a further inducement for the Chinese owner to have them pulled down and have the new structure erected.

CABARET GIRL'S JEWELS

A Singapore cabaret hostess, Mary Chow, alleged in court that she entrusted \$3,000 cash, a cheque for \$600 and over \$3,000 worth of jewellery with S. A. Dawood, a young English-speaking Indian ship-chandler, when she left the country for Hongkong, and that when she returned Dawood did not give her back the property.
Dawood appeared on three counts of committing criminal breach of trust.

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Calcutta	Kuala Lumpur	Sourabaya
Canton	Manila	Tientsin
Cebu	Medan	Tokyo
Colon	New York	Yokohama
Delhi	Peking	
Hankow	Penang	

FOREIGN EXCHANGE and General Banking Business transacted.

CURRENT ACCOUNTS opened and FIXED DEPOSITS received for One Year or shorter periods in Local or Other Currencies at rates which will be quoted on application.

SAVINGS ACCOUNTS also opened in Local Currency and Sterling with interest allowed at rates comparable to application. The Bank's Head Office in London undertakes Executor and Trustee business, claims recovery of British Income Tax overpaid, on terms which may be ascertained at any of its Agencies and Branches.

W. H. EVANS THOMAS, Manager.

POST OFFICE

GENERAL HOLIDAY

On Monday, 4th August, the General Post Office and Kowloon Central Post Office will be open from 8 a.m. to Noon, Sheungwan Branch Post Office will be open from 8 a.m. to 10.00 a.m. and the other Branch Post Offices will be entirely closed.

There will be one collection from the pillar boxes as on Sunday and one delivery of registered and ordinary correspondence at 11.30 a.m. There will also be one delivery of ordinary correspondence at 11 a.m. from the Branch Post Offices at Stanley, Taiipo and Un Long. The Money Order Office will be entirely closed.

Air Mail Service by British Overseas Airways Corporation to East and South Africa, United Kingdom and beyond has now been resumed. Correspondence for despatch by air via Rangoon must be superscribed by "C.N.A.C."

Small Packet Post to all countries is suspended.

INWARD AIR MAILS

Air Mail by "Pan American Airways Direct Service"—San Francisco date, 5th August, Aug. 12.
Air Mail by "Pan American Airways Direct Service"—San Francisco date, 10th August, Aug. 20.

OUTWARD AIR MAILS

Monday, Aug. 4

Air Mail by Air to Rangoon to connect with the "British Overseas Airways".

K.P.O. and G.P.O.

Reg. Aug. 4, 11.30 a.m.

Ord. Aug. 4, 12.30 p.m.

Tuesday, August 12

Air Mail for Manila, Guam, Honolulu, U.S.A. and Europe via "Pan American Airways and Trans-Atlantic Services".

K.P.O.

Reg. Aug. 12, 5 p.m.

Ord. Aug. 12, 5.30 p.m.

G.P.O.

Reg. Aug. 12, 5 p.m.

Ord. Aug. 12, 7 p.m.

Tuesday, Aug. 20

Air Mail for Manila, Guam, Honolulu, U.S.A. and Europe via "Pan American Airways and Trans-Atlantic Services".

K.P.O.

Reg. Aug. 20, 5 p.m.

Ord. Aug. 20, 5.30 p.m.

G.P.O.

Reg. Aug. 20, 5 p.m.

Ord. Aug. 20, 7 p.m.

G.P.O.

Reg. Aug. 20, 5 p.m.

Ord. Aug. 20, 7 p.m.

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Reg. Aug. 20, 5 p.m.

Ord. Aug. 20, 7 p.m.

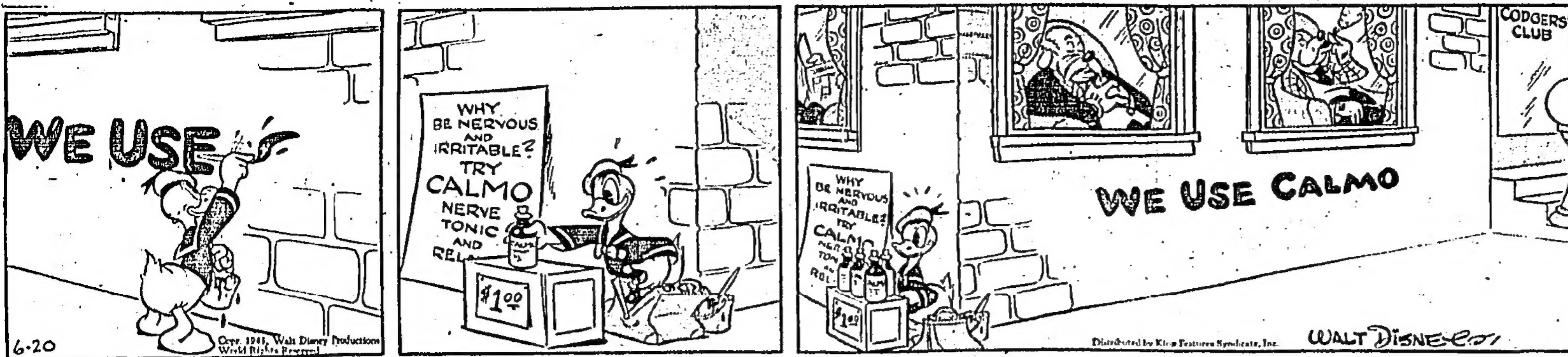
G.P.O.

Reg. Aug. 20, 5 p.m.

Ord. Aug. 20, 7 p.m.

G.P.O.

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CONTRACT BRIDGE

Sizing Up a Discard

DISCARDS must be judged on varying bases, depending on the skill of the player who makes the discard. A novice throws away any card that does not promise to win a trick. The expert proceeds along more logical lines. He knows that if he discards from a certain suit, he "shows up" his partner, who may have a finessable queen or jack in that suit. Hence, when an expert seems to admit weakness in a suit, the chances are very strong that he can well afford his discard—in other words, that he still has the suit stopped. Note how this affects the expert play of a deal such as the following:

South dealer.
 Both sides vulnerable.

♠ J 10 7 3
 ♥ A 7
 ♦ Q 6 4 2
 ♣ A 9 8

♠ 8 5
 ♥ K Q 10 9
 ♦ 7 5 3
 ♣ 7 3

The bidding:
 South West North East
 1♠ Pass 3♠ Pass
 4♠ NT Pass 5NT Pass
 6♠ Pass 6♠ Pass

4-4 Notrump Convention.
 South's hand qualified as a minimum two spade bid, but since it was a minimum, South preferred a one-bid. After the jump raise, South located the missing two aces by using the 4-5 Notrump Convention. Even with this information, the final leap to a grand slam was a distinct stretch, but South was that sort of player.

West opened the diamond jack. Declarer won and cashed the ace and king of trumps. On the second round West discarded the deuce of

Philip Jordan gets some first-hand news from Occupied France

I HAVE JUST HAD FIRST-HAND INFORMATION (in a way which I much regret I cannot divulge) of life in Occupied France.

This information has a special interest and importance, because it comes from a little provincial town and not from Paris.

News from Paris is fairly frequent in Britain, and tells only of what is happening in the capital, which, like all capitals, more or less represents nothing but itself. As the heart and soul and backbone of Britain are to be found in the provinces, so are the same anatomical and spiritual pieces of France to be found in the French provinces.

MOST INTERESTING TO ME of all I heard is the complete ignorance of Parisian events in which the inhabitants of this little town are kept by their temporary over-lords.

They had never, for instance, heard of the last November 11 anti-German demonstrations in Paris, when German machine-gunners opened fire from the top of the Arc de Triomphe on an unarmed crowd in the streets below.

They know little or nothing about what is happening in any district of France other than their own. I imagine that goes for the whole of occupied France. On the other hand they know a lot about what is happening in Britain, Africa and the United States.

And for this reason, French newspapers, which merely print what the Germans either tell or permit them to print, are almost entirely boycotted. Their sale is derisory.

But the B.B.C. broadcasts in French are a howling success. Although it is forbidden to listen to them, the midday and the evening broadcasts have a tremendous audience, and what is said in those broadcasts is passed on with all the mystery and rapidity of a bush telegraph.

IN THE LITTLE PROVINCIAL TOWN from which my news comes, General de Gaulle's request that all French men and women should mark their belief in his cause by staying indoors on New Year's Day, was obeyed by practically the entire community. "Perhaps one saw half a dozen microbes on the streets that day," I was told.

The local sport seems to be cutting German telephone wires, the individual penalty for which, if caught, is death; the collective penalty an enormous fine. This particular small town has fines which

already run into millions of francs. And no doubt it will have more.

Life as a whole is almost normal, except (and a very big "except" it is) for the presence of German soldiers. The enemy, on the face of it, interferes very little, except with the local newspapers, printing and engraving businesses; people don't use the telephone at all.

My information confirms reports brought back to this country by British bomber pilots, that whenever British planes fly over by day, the

people come out into the streets and wave to them. They do it in front of the German soldiers.

Germans, having no sense of humour, simply don't understand how "on earth" anyone can welcome a bomber which, at any moment, might lay an egg on you.

The French have a witty genius for irritating people. The Germans have been pretty well driven out of the local restaurants. In this way, whenever they came in they used to unbuckle their dagger-adorned belts and hang them on the wall. So the French used to come in with belts adorned with bicycle pumps, and hang them up alongside those of the Nazis. Result: loud laughter which panzer-divisions the Germans out of the restaurant.

Such conduct baffles, and to some degree, dispirits them. The old racial inferiority-complex is set working overtime. They are puzzled.

AND about invasion of Britain. It seems that only the youngest and most fanatical of Hitler's soldiers view an attempted invasion with anything but dismay.

Interest in French New World Empire

WASHINGTON, July 31 (UP).—Uncertainty over the status of the French colonial empire as a result of the Vichy-Berlin collaboration agreement has attracted new attention to possessions in the Western Hemisphere.

The largest of these new world possessions, and the only one on the American continent proper, is French Guiana, a colony covering 34,740 square miles. More than one-third of the colony borders on Brazil.

French Guiana is the best known because of the famous penal settlement at Devil's Island. Actually, Devil's Island constitutes only a minute fraction of the colony's relatively vast expanse. It is situated along the coastal fringe. This fringe constitutes one of the natural parallel belts which roughly divide French Guiana into geographical zones beginning at the ocean front and extending back into the interior.

Unexplored Plateau

Beyond the coastal fringe, according to a report of the American Geographical Society, is a marshy area 15 to 25 miles wide.

The next zone is a low hilly area, and beyond this is the largely unexplored and sparsely settled low plateau extending about 125 miles. At the edge of this zone is a range of hills approximately 1,200 feet high and along the Brazilian boundary lies the 2,500 foot Tumuc Humac range of mountains.

The climate is hot, humid and mottled. There are two rainy seasons from May through June and November through January. February and March are dry.

"French Guiana has long been considered a blot on South America," the Geographical Society said. "All three Guianas have been among the most difficult regions of the continent to colonize, but of the three, the French colony has shown the least progress. It is also the least suitable for habitation as well as the least known."

Development Retarded
 "The difficulties result from an unfortunate combination

of physical, political and social conditions. The great amount of low, swampy land, the continually high temperatures, the heavy rainfall, the dense vegetation and tropical pests have all retarded development.

"Since, however, the three Guianas (French, British and Dutch)—have similar physical conditions, the differences in social and economic status must be largely due to factors of colonial and governmental policy."

French Guiana might become an entirely different type of colony, the Society's report said, if money were available for the development of modern sanitation systems and adequate communication facilities. The colony is not without valuable natural resources, the report points out.

Natural Resources

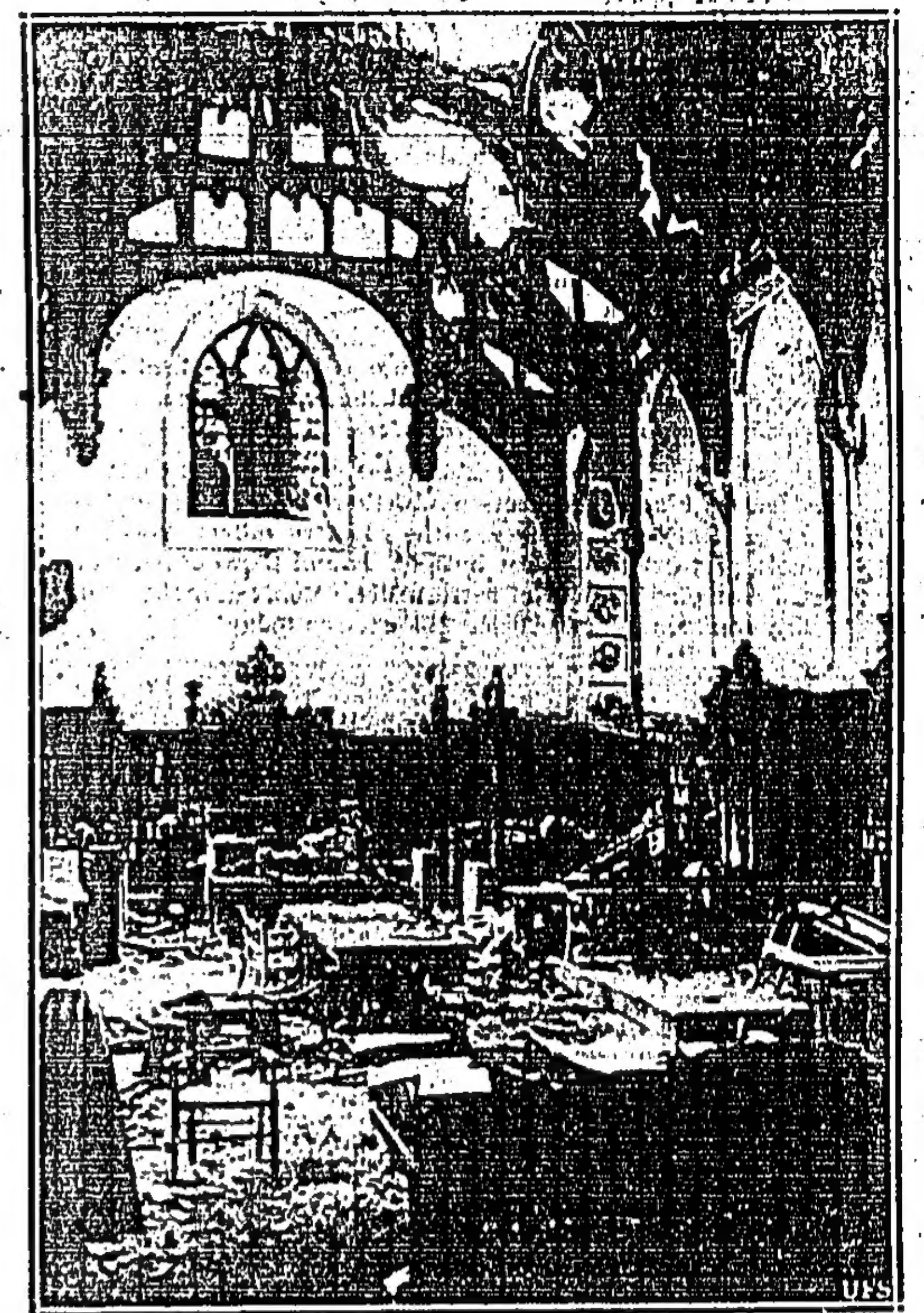
Among these are gold, forest products, coffee, cacao, and sugar. In addition, the colony has great grassy areas which are well suited for cattle raising.

Despite these assets, however, agriculture is poorly developed and the colony is required to import many commodities, among them some which could be produced locally, from neighbouring countries.

The colony has only four accessible ports: Cayenne, the capital; St. Laurent du Maroni, St. Georges du Oyapock and Regina. None can handle large vessels.

Land communication with neighbouring Brazil and Dutch Guiana (Surinam) is practically non-existent. There are no railroads. Virtually all communications with interior points are by river. In recent years, French Guiana has been linked to the other Americas by plane. Pan-American Airways makes one stop weekly at Cayenne with mail and passengers.

The early history of the colony was marked by strife with the Indians, French, Dutch, British and Portuguese. The colony changed hands several times until 1814, when the French established their sovereignty.



LANDMARK DAMAGED—Lambeth Palace, London, ancient home of Archbishops of Canterbury, met this fate when Hitler's men flew over British capital in recent raid. This shows chapel of palace, where bombs fell heaviest.

—RADIO—

ZBW, 355 metres (845 k.c.) and 31.49 metres (9,520 kilo-cycles)

Prokofiev Concerto No. 3 In C Major

Radio Programme Broadcast by ZBW on a Frequency of 845 k.c. and on Short Wave from 1-2.15 and 8.30-11.15 p.m. on "9.52" m.c.s. per second.

12.15 p.m. A Short Service of Intercession.

12.30 Victor Silvester and His Ballroom Orchestra.

1.00 Local Time Signal and Programme Summary.

1.02 Prokofiev—Concerto No. 3 in C Major, Op. 28.

Serge Prokofiev (Piano) and the London Symphony Orchestra cond. by P. Coppola.

1.30 Reuter and Rugby Press and Announcements.

1.45 The Orchestral Mascotte and Charles Trenet (Vocal).

2.15 Close Down.

8.00 Indian Programme.

8.45 Closing Local Stock Quotations.

8.47 Variety with Phyllis Robins, Billy Murray, The Mills Brothers and others.

8.50 Portuguese Programme.

8.55 London—The News.

8.55 London—War Commentary.

8.55 London—Listening Post.

Examination of Points in Daily German Propaganda.

8.30 Programme Summary.

8.32 A Spanish Programme with Conchita Supervia (Mezzo-Soprano).

8.00 Local Time Signal and Announcements.

9.05 An Hour of Classical Requests.

Merry Wives of Windsor—Overture (Nicolai)....The London Philharmonic Orchestra cond. by Sir Thomas Beecham; Cavatina (Raff)....Albert Sammons (Violin) with Piano; Ciribiribin (Dole, Festalozza)....Grace Moore (Soprano) with the Metropolitan Opera House Chorus and Orchestra; Humoresque (Dvorak)....Op. 101 No. 7)....Ignaz Friedman (Piano); "Rigoletto"—Woman Is Fickle (Verdi)....Enrico Caruso (Tenor) with Symphony Orchestra; La Campanella (Paganini—Liszt)....Misha Leventki (Piano); Blue Danube Waltz (Johann Strauss)....

The Philadelphia Symphony Orchestra cond. by Leopold Stokowski; "Mamma Butterfly"—One Fine Day (Puccini)....Rosetta Pampanini (Soprano) with Orchestra; Melody in F (Rubinstein)....William Murdoch (Piano); Minuet (Bocherin)....Fritz Kreisler (Violin) with String Quartet; Liebestraum (Liszt)....Arthur Rubinstein (Piano); The Earl King (Gothe-Schubert)....Alexander Kipnis (Bass) with Gerald Moore (Piano); Second Movement: Adagio cantabile; From "Sonata Pathétique" in C Minor (Beethoven)....Karol Szerer (Piano).

9.45-10.00 News in French (on Short Wave only).

10.00 London—The News and News Commentary.

10.15 Selections from Light Opera: The Chocolate Soldier; "Monsieur Beaucaire"; The Yeomen Of The Guard.

10.35 Dinah Shore in a "Swing" Programme.

11.00 London—"Makers of History".

11.15 Close Down.

STOCK MARKET REPORT

Hongkong Stock Exchange Official Summary, issued yesterday, is:

Buyers

H.K. Govt. 4% Loan 97.50
 H.K. Govt. 3 1/2% Loan (1934) 94.50
 H.K. Govt. 3 1/2% Loan (1940) 94.50
 Canton Ins. \$225
 H.K. Fire Ins. \$185
 Providents \$5.70
 Lands \$33.75
 Chinese Estates \$101
 Lights "O" \$5.70
 Electrics "O" Rts \$10.00

Sellers

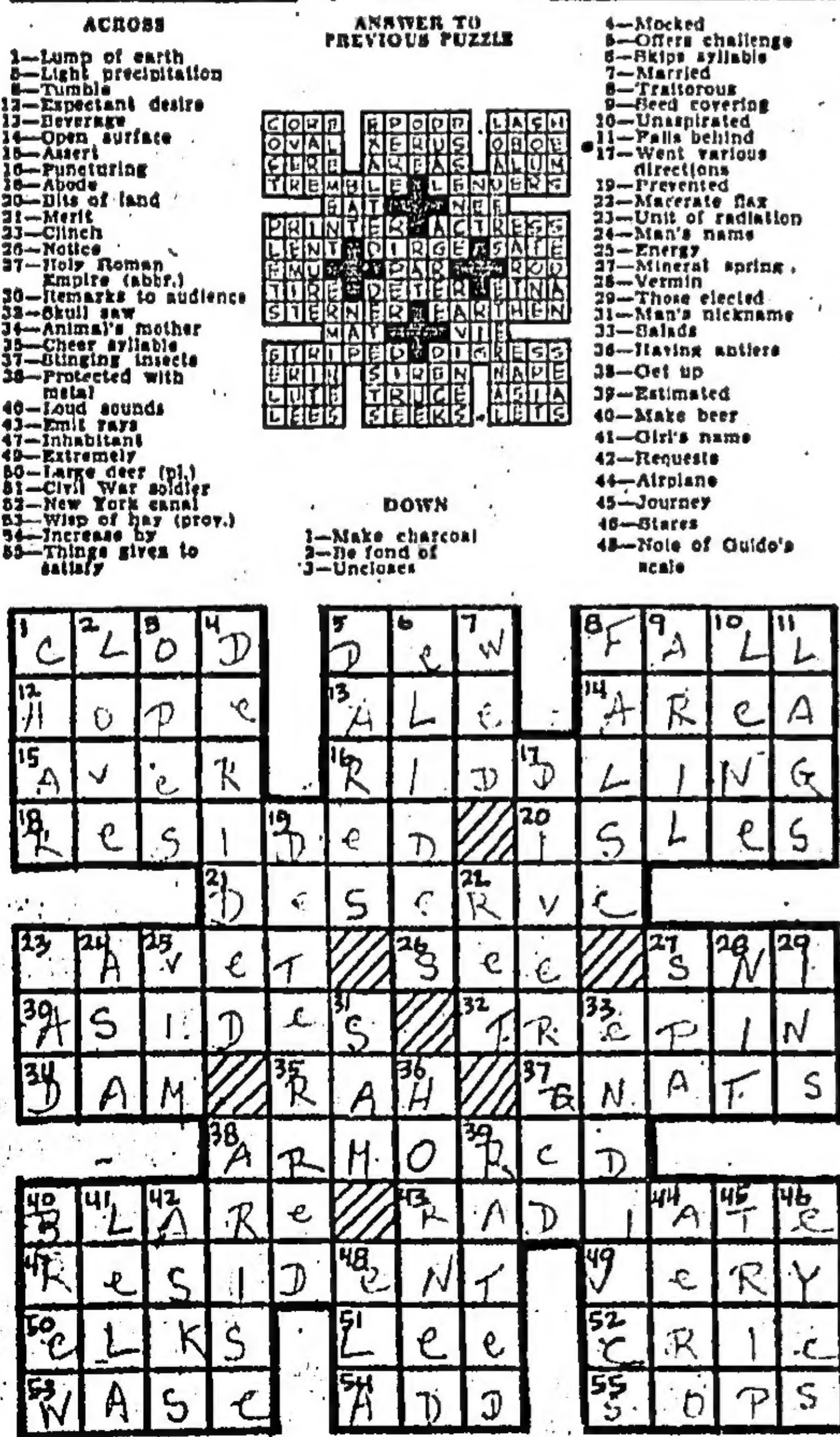
Electrics "O" X. Rts \$22.25
 Electrics Rts \$11.10
 Maceo Electrics \$18.00

Sales

H.K. Govt. 3 1/2% Loan (1934) 95
 Wharves \$91
 Maceo Electrics \$18.40

Crossword Puzzle

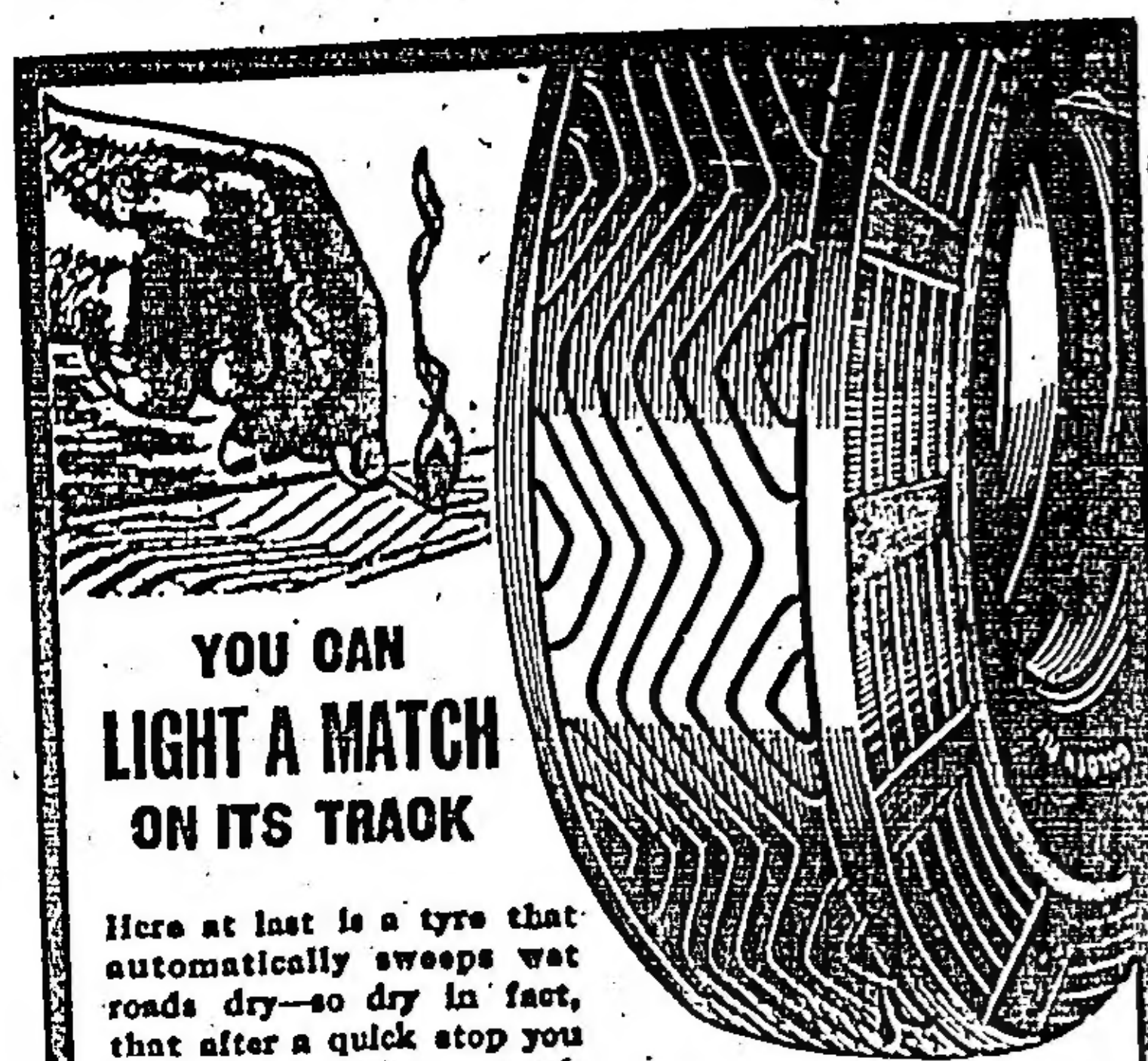
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ACKNOWLEDGMENT

The Family of the late Mrs. Cuthbertina Leong Hing-kee express their deep gratitude to all friends and relatives for their expression of sympathy, floral tributes and attendance at the funeral. A High Requiem Mass will be celebrated at the Roman Catholic Cathedral, Caine Road, on Saturday, 2nd August, 1941, at 7.30 a.m. All relatives and friends are cordially invited.

The
Hongkong Telegraph.

Friday, Aug. 1, 1941.

Wyndham St., Hongkong
Telephone: 26615

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WAR'S BIG LESSON

The latest figures issued by the Ministry of Labour show that the unemployment problem in England no longer exists. Although recent Ministry records indicate there were 310,000 unemployed in the middle of July, at least one-third of the male workless were unsuitable for ordinary industrial work and the rest were moving from one job to another on the day of the count. Of the women unemployed, one-third were not suitable for ordinary work, and many more had been registered for less than four weeks. It is probable the next figures will show an even greater reduction, and that there will be no idle workers except those who, for one reason or another, are not capable of being fitted into industry.

This result has been achieved by the concentration of the nation's productive power on the task of winning the war. The same result was achieved in the war of 1914-18. After that war the unemployment problem again became part of the "normal" life of the country, because no steps had been taken to prevent it. That must not happen again after this conflict. As the memorandum of "The Peace", submitted to the annual conference of the Labour Party expressed it: "Mass unemployment is intolerable in war; we must make it intolerable in peace. Distressed areas are incompatible with a full war effort; the organisation which removes them for the purpose of war must remove them for the purpose of peace. Finance is the servant, and not the master, of political policy in war time; it must continue in that relation when peace comes. In war our great material resources are not private empires to be administered for victory; they must be similarly administered as we turn from war to peace."

Not only Labour, but practically all sections of the community—political, financial and social—in Britain have come to express these sentiments. The generally accepted formula for post-war Britain is that man-

CHINA'S MAJOR PROBLEM:

FOOD

Feeding its people is China's most pressing economic problem. On the solution to this problem future political developments may well hinge. Already economic maladjustment has produced far-reaching social and political sequences. In the opinion of many observers, it was one of the prime factors which conditioned the Central Government's decision to launch an attack on the Chinese Communists. Many see it one of the major causes of the recent upsurge of political repression in China, pointing out that scarcity usually brings policemen.

The food problem began to grow serious about a year ago. Up till that time the price of rice had been fairly stable, at least in comparison with the prices of manufactured goods which had been soaring ever since the fall of Canton and Hankow. Before the war a picul (133.33 lbs.) of rice in Chungking cost about \$9.50. In the winter of 1939-40 it cost \$17; in the summer, \$30. Late in the summer and throughout the fall it rose as rapidly as stocks of Yuan Chuan-yu, a former mayor of Cnengtu. A cember one saw rice queues in the streets of Chungking, lines of people holding baskets and bags standing patiently along the curbs. Gendarmes kept them in line.

Rice Prices

Current reports received from China show that the stabilisation felt early in 1941 has not continued. In Szechwan the price is reported to have reached \$250 a picul, although in other districts the price remains considerably less. Between March and May the price at Kweilin, Capital of Kwangsi, rose from \$30 per picul to \$96. In Kwangtung, a market if not in the warehoused now costs \$120, while houses in the mountainous regions of the same province it has risen to as high as \$200.

In crowded Chungking the price for a picul of rice has risen to as much as \$400 to \$500.

Shortage Crux?

Government officials steadfastly maintained that rice was plentiful. They attributed the price rise to high cost of transport, poor distribution and hoarding are part of the problem of scarcity on the market—they help to cause it. The extent of inflation approximates the increase in the general price level. The note issue was about six billion at the end of 1940. To this must be added the provincial notes in circulation, Japanese notes and foreign currency in determination to abolish Chinese areas, Government bonds, bank loans and other forms of credit, all of which are part of inflation. The need the cynics boast of scoring a debating point by arguing that the same ideals were banded about during the last war, and came to nought. Not only Britain, but the entire world is to-day learning from bitter and unforgettable experience the necessity for a complete readjustment of social, economic and political foundations; this war, in fact, will make them inevitable.

kind must be rid of the fear of war, and that there must be a determination to abolish Chinese areas, Government bonds, bank loans and other forms of credit, all of which are part of inflation. The need the cynics boast of scoring a debating point by arguing that the same ideals were banded about during the last war, and came to nought. Not only Britain, but the entire world is to-day learning from bitter and unforgettable experience the necessity for a complete readjustment of social, economic and political foundations; this war, in fact, will make them inevitable.

which the Government being issued every five months.

Rice, however, led the general price level last fall. The reason seems to have been the insufficiency of the 1940 crop, particularly in Szechwan. According to the statistic of the Provincial Government, the crop of hulled rice in Szechwan, Kuomintang China's "key" economic area, was 45,000,000 piculs, about half of the consumption requirements. Thus the landlord class has an excellent opportunity to estimate was more generous: 88,000,000 piculs of un-hulled rice, a deficit of about 50,000,000. Even if the surplus of 1938 and 1939 (officially estimated at about 23,000,000 piculs) were deducted, a large deficit would remain. Of course rice re-

He proposed:

1. Adjustment of supply with demand.
2. Promotion of consumption of cereal other than rice.
3. Reduction of the brewing of rice wine.

4. Increase in food production.

5. Construction of irrigation works.

In November and December the Government made attempts to halt the China's food supply. In part

By HUGH DEANE

who has observed conditions in war-torn China for a year and a half as correspondent of the "Christian Science Monitor"

the shortage of rice was compensated by an increase in the winter crops, wheat, corn and vegetables—and by hoarding the rice. In a general tightening of the belt.

Localism Complication

The food problem in China is complicated by the localism of the economy, which makes distribution of rice stocks in a steady hand. The high cost of transport (gasoline now costs about 23 Mexican dollars a gallon), together with the general lack of roads, makes shipment of rice from an over-supplied area to an insufficiently-supplied area difficult, and therefore China really requires a considerable surplus in order to insure a fairly even distribution.

Even if an adequate supply of rice exists, the fact that almost all of it is held by a few landlords brings the problem of getting well as for cities.

ting it on the market. According to a sample survey made recently by the University of Nanking, 80 per cent. of agricultural producers are tenants or part tenants. Tenants pay most of their crop—over 80 per cent. in the Chengtu Plain, 50 per cent. as an average—as rent, and part of the rest as interest on loans (the survey found that the interest for three months was 26 per cent.). Consequently they have little or no rice to sell; in fact they are usually buyers themselves.

It is estimated that only economic area, was 45,000,000 piculs, about half of the consumption requirements. Thus the landlord class has an excellent opportunity to estimate was more generous: 88,000,000 piculs of un-hulled rice, a deficit of about 50,000,000. Even if the surplus of 1938 and 1939 (officially estimated at about 23,000,000 piculs) were deducted, a large deficit would remain. Of course rice re-

Season's Prospects

While the crop prospects for this summer are reported to be fairly good, the food problem in the long run seems likely to grow increasingly serious. Torn by four years of war, beset with floods and drought, forced to feed armies numbering millions, crippled and constrained by a primitive semi-feudal agrarian economic structure, China's tired rice fields are with growing difficulty providing food for Chinese stomachs. China's food problem is part of that of the whole of Asia. Asiatic food production has steadily shrunk, especially since the Sino-Japanese war, which will intensify the strains now rending the continent.

Indo-China, Siam and Burma have a normal annual surplus of 200 million piculs of rice, whereas Japan's deficit alone is now 180 million. Japan may be forced to drain an increasing amount of rice from Central China; further dislocating Chinese agricultural economy. In the valleys of Central China the Japanese and Chinese are battling for rice fields as well as for cities.

GRIN AND BEAR IT By Lichty



"While you're fixing the displays, pile that golf stuff around the Prescription Counter—this time of year doctors usually prescribe a lot of golf!"

Economic Defence Policies

New Board For U. S.

WASHINGTON, July 31 (Reuter).—President Roosevelt has created a Board to guide the general activities of Federal agencies in economic defence with Vice-President Mr. Henry Wallace as its head.

Other members are the Secretaries of State, Treasury, War, Navy, Agriculture, Commerce and the Attorney-General.

The duties of the Board will include advising the President on economic defence measures to be taken or functions to be performed which are essential for the effective defence of the nation.

The Board will also advise the President on steps to be taken to protect the trade position of the United States and the establishment of sound peace-time international relationships.

Rationing Of Petrol In U.S.A.

WASHINGTON, July 31 (Reuter).—Moving towards compulsory restriction of the use of petrol, Mr. Ickes, Secretary for the Interior, called on all industries to close 100,000 petrol service stations in Eastern States between 7 p.m. and 7 a.m. on seven days a week, beginning August 3.

The closing would affect all petrol stations on the Atlantic seaboard from Maine to Florida.

Declaring that "the voluntary rationing hitherto had not achieved the reduction which was to be accomplished if we are to avoid more serious rationing later," Mr. Ickes referred to the possibility of more serious rationing, including the issue of rationing cards.

Besides the twelve Atlantic States, Mr. Ickes' recommendation applies to the District of Columbia and parts of five other States.

Asked whether stations refusing to comply with the recommendation would be prosecuted, Mr. Ickes said "I don't believe we have the power to prosecute."

Moslem Centre In London

Distinguished Persons

LONDON, July 31 (Reuter).—Many distinguished Moslems are attending an important ceremony on Friday when the new East London Mosque and Cultural Centre is being opened. The programme includes a welcoming speech by Sir Hassan Sahrawi, Mohammedan adviser to the India Office, a report by Sir Ernest Hoson, Honorary Secretary to the Mosque Fund Trust, a reply by the Egyptian Ambassador, a vote of thanks by Said Emir Shah of the East End Moslem Association, and prayers which will be led by M. Saidi, the Arabian Minister.

A reception will follow in the Club attached to the Mosque.

The Mosque and Cultural Centre consists of three houses in the Stepney district of London which have been converted to this special purpose of providing a centre for Moslems in London, including many Moslem women who regularly come to London's dockland.

It is intended to fill this need until after the war when a large Moslem centre is being built in London under the auspices of the British Government.

May Resign Because Of New Pact

LONDON, July 31 (Reuter).—It is rumoured that the Polish President, M. Wladyslaw Raczkiewicz may resign owing to his dissatisfaction over the Polish-Soviet pact. There is no confirmation to the reports that three other members of the Polish Government have resigned.



DESERT MEN—Members of British Imperial Army who make up patrol squad, to range far into Sahara and Libyan deserts to mop up small groups of enemy Axis. Such patrols consist of officers and men experienced in desert warfare, heavily armed.

REASONS WHY HITLER CANNOT WIN

Nazis Losing Air Superiority

Hitler can't win. That is the view of Mr. Harry Hopkins, President Roosevelt's close friend and now administrator of the Lend-Lease Programme, expressed in an article in the "American Magazine." Here are his four reasons for saying so:—

(1) Hitler has not got real sea power.

(2) He is slowly losing air superiority.

(3) He cannot equal the economic resources which Britain and ourselves are bringing to bear.

(4) It is contrary to American interest that he should be allowed to consolidate his ill-gotten gains.

Other Factors

Mr. Hopkins, who during several months in England as an observer for Mr. Roosevelt was constantly in touch with Mr. Churchill, also stressed the following points in his article:—"To-day the British have achieved superiority over the Germans in fighters—certainly quality, and probably in quantity."

"Germany still has great bomber superiority. Week by week the British are catching up and with our help there will come superiority."

"Hitler will be unable to move the factories far enough east to escape the giant bombers now being built in American factories."

"We'll find the Raiders"

"The wanton killing of a thousand people a night has not broken the morale of the British."

"We'll search out the Atlantic raiders. We will find them. We will find a way of keeping them from interrupting the Hemisphere."

Mr. Hopkins predicts a decline in Atlantic sinkings and declares that "Hitler is strong but the Democracies are stronger."

He winds up the article with a three-word sentence: "HITLER WON'T WIN."

Talking Through His Hat

Paper Assails Senator

SPECIAL TO THE "TELEGRAPH"—NEW YORK, July 31 (UP).—The "New York Times" in an editorial to-day under the heading "Nonsense in the Senate," assailed Senator D. Worth Clark's proposal that the United States create puppet governments in Latin America.

"This particular bit of nonsense will doubtless be distributed as widely as possible by the industrious Doctor Goebbels to whom it will come like manna from the skies. It can do harm if Senator Clark's proposal was promptly and emphatically repudiated by President Roosevelt and Mr. Sumner Welles, and that they will recognise that Clark is talking through his hat and speaking for himself alone."

Anglo-Finnish Relations

LONDON, July 31 (Reuter).—Britain's reply to the Finnish side in the dispute over the suspension of the Finnish Legation's activities in London was handed to the Finnish Minister, M. Grippenberg, this afternoon by Sir Alexander Cadogan, Permanent Under-Secretary at the British Foreign Office.

Respecting Finland's assumption that Britain shared Finland's view that it was hardly possible to maintain normal relations, the British reply recalls intimating as late as July 22 that it had been decided to maintain such relations notwithstanding Finland being engaged with Germany in hostilities against Russia and German troops operating from Finnish soil.

The action recently taken against Finnish trade with trans-oceanic countries was the result of those facts which created circumstances rendering it clearly impossible to allow goods to pass through the blockade to reach territory which must be considered largely under German control.

Since the action was not aimed against Finland, Britain did not consider that it need render normal diplomatic intercourse impossible.

If the Finnish Legation withdraws from London, it will follow that Britain will be compelled to withdraw her legation from Helsinki.

British Blockade

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If the Finnish Legation withdraws from London, it will follow that Britain will be compelled to withdraw her legation from Helsinki.

Sweden Not Safe

One bank in Zurich is stated already to have received deposits to German accounts amounting to many millions of Swiss francs and the total is still increasing.

It is added that Swiss circles believe that Switzerland was chosen in preference to other neutral countries because the German leaders think that Sweden may be threatened by Russia should the Red Army prove victorious in the present campaign.

Intercepting French Ships

ROYAL NAVY ON THE WATCH

SPECIAL TO THE "TELEGRAPH"—LONDON, July 31 (UP).—Mr. Hugh Dalton, Minister of Economic Warfare, revealed in the House of Commons to-day that the Royal Navy is intercepting ships to and from Marseilles which are trading between metropolitan France and the Colonies.

"The bulk of the cargoes which are landed at Marseilles are seized by the Germans and Italians while the outbound ships carry enemy exports," he declared, adding that the Dutch Navy is assisting the British.

WAVELL IN HIS NEW SPHERE

SIMLA, July 31 (Reuter).—General Sir Archibald Wavell, Commander-in-Chief in India, presided to-day at the first meeting of the Defence Committee of the Central Legislature set up in pursuance of the undertaking given by General Sir Claude Auchinleck, his predecessor, in the Upper House recently.

In the opening speech, General Wavell reviewed the general war situation, emphasising the magnificent part played by Indians in the various theatres of war.

Silk Shortage In Philadelphia

SPECIAL TO THE "TELEGRAPH"—PHILADELPHIA, July 31 (UP).—The first firm in the Philadelphia area to be affected by a shortage of Japanese silk is the Gotham Silk Hosiery Company, which announced the closure of its Courtland mill, throwing 400 persons out of work.

The announcement said that the mill would remain closed until new supplies of silk or rayon could be obtained. Union leaders said that the shut down was "only the first" of an anticipated series.

U.S.-Czech Relations Announced

LONDON, July 31 (Reuter).

—The Czechoslovak Government announce that the United States has agreed to recognise the Czechoslovak Government in London and to appoint diplomatic contact with it.

The announcement follows negotiations between the two countries on Czechoslovakian diplomatic status.

Henceforth Dr. Eduard Benes will enjoy the same status as the heads of other states and Czechoslovakia will have the same status as other exiled governments.

It is pointed out that the United States has never withdrawn de jure recognition of the Czechoslovak Republic and the German occupation of the country did not affect the full diplomatic status which Colonel Hurban enjoys in Washington.

GALLUP POLL ON WAR ISSUES

NEW YORK, July 31 (Reuter).—Some people say now that Germany is fighting Russia as well as Britain it is not so necessary for this country to help Britain; do you agree or disagree?

This question was put in a Gallup poll and elicited the following replies: Agree, 29 per cent, disagree 72 per cent, no opinion 8 per cent.

The second question ran "Since Germany will probably defeat Russia and then turn full strength against Britain, it is more important than ever we help Britain; do you agree or disagree?"

Replies were: Agree 71 per cent, Disagree 19 per cent, no opinion 10 per cent.

BAN ON COTTON FROM SHANGHAI IS LIFTED

CHUNGKING, July 31 (Central News).—According to a Shanghai dispatch, the Japanese Deputy Commissioner of the Shanghai Customs yesterday suddenly announced the lifting of the ban on the export of cotton goods, cereals, and fertilizers.

The reason for the move, especially in regard to cotton goods, the dispatch states, is that of the 60 cotton mills in Shanghai nearly 40 are owned and operated by Japanese merchants.

The ban on the following categories of goods is still effective: machines, chemical products, mineral products, metals, leather products, drugs, dyes, oils, cotton, rubber goods, ramie, wool.

MADE IN INDIA Arms Of All Kinds

SIMLA, July 31 (Reuter).—India is now the arsenal of the British countries east of Suez. She is now manufacturing the largest proportion of her own defence requirements as well as the eastern groups.

The goods she makes cover a wide range: shirts, ships, buttons, bolts, bridges, goggles and guns. She is now producing about 400 new articles including fairly new types of textile fabrics, some of which are "jute, cotton, union canvas" which substitute for jute fabrics in engineering stores, and is also manufacturing armoured bodies for vehicles, anti-submarine and anti-aircraft sea-going vessels, new types and calibres of modern artillery and ammunition, and degassing cables.

Consumption Of Petrol In N.Z.

WELLINGTON, July 31 (Reuter).—The Minister of Supply, Mr. Sullivan, has announced a 25 per cent cut on the present private petrol ration which is eight gallons a month for large cars and four to six gallons for small cars.

The reduction operates from August 1.

All licences are being reviewed with a view to a further considerable reduction of consumption.

India Feels Drain

SIMLA, July 31 (Reuter).—Petrol may be rationed in India from August 15, according to an order issued by the Government of India.

It is emphasised that in drawing up the order the Government had paid special attention to the objectives of ensuring the maintenance of essential services and a fair distribution to private consumers.

The Government hope that private motorists will co-operate among other things by using cars only for absolutely emergent and essential purposes.

It has hitherto been possible by careful planning on the part of shipping authorities and oil companies to maintain stocks of petrol at a level adequate to meet requirements, but the Government feel the necessity to envisage a possible deterioration in the tanker position and have decided to take the present steps for the purpose of building up stocks to a still higher level.

Wider Powers For Mr Roosevelt

WASHINGTON, July 31 (Reuter).—Wider powers for President Roosevelt were agreed to by the House of Representatives' Military Committee to-day.

Adding two amendments to the previous version approved by the Senate, the Committee by 14 votes to four approved legislation authorising the President to seize military and naval equipment.

The President is also authorised to requisition supplies and munitions or machine tools and materials necessary for making such supplies and munitions.



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And All Day at the STAR FERRY WHARF

ORGANIZED BY THE CHINA DEFENCE LEAGUE

HONGKONG SOCIETY FOR THE PROTECTION OF CHILDREN

THE SOCIETY ASKS FOR

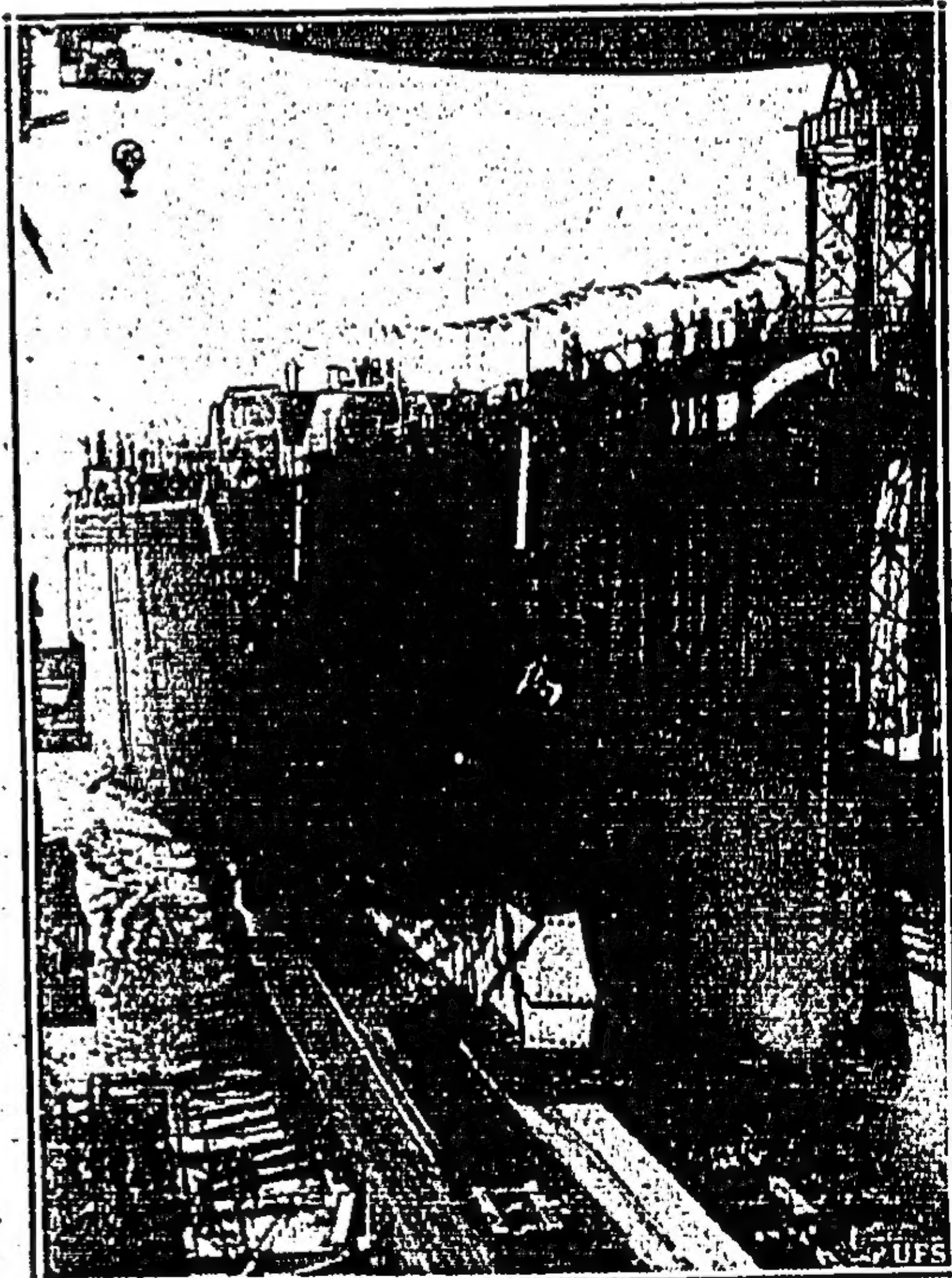
In 1941, to meet the increasing needs of sick and destitute children in Hongkong, against which the income to date is \$10,000 only.

In order to continue its work, The Society appeals for the balance of \$13,000 before the close of the financial year on 31st October.

The number of children assisted last year was 5,100. Hon. Treasurers (from whom a copy of the annual report for 1940 may be obtained):

Mr. A. McKELLAR, C.A.
c/o Mackinnon Mackenzie & Co.
& Co. Building.

Mr. KWOK CHAN,
c/o The Banque de l'Indo-Chine,
2nd July, 1941. HONG KONG.



BATTLE WAGON—New 35,000-ton battleship, South Dakota, sister ship of Washington and North Carolina, launched at Camden, N. J. She cost \$70,000,000. Hardly had she gone down ways before keel of cruiser Santa Fe took her place.

SAVED BY HIS TEETH

John Henry Mitchell, of the R.N.R., has good strong teeth which saved his and two other lives. He jumped into the water between two trawlers and reached two helpless men. Mitchell grabbed one by his hair, held the second man with his other hand and kept them and himself afloat by gripping a rope with his teeth. Hanging on like this he got a rope round each of the men in turn so that they could be pulled out. He has won the Albert Medal.

HARD TO BEAT

During a recent London raid, every house in one little street was bombed. From one ruined home a piano was dragged and left standing in the road—way. Along came a woman, who sat down at the piano and began to play. Very soon she had the children singing and dancing round her while the grown-ups joined in the choruses. Lady Edward Spencer Churchill, telling the story at the British Legion Women's Conference in London remarked: "You can't beat a nation with people like that."



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your
SMILE
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Items Of Interest To Swimmers

Origin Of Swimming Naturally Lost From Record
Earliest Of Men Must Have Taken "Dips"

Week-end Gala At N. Point

(By "Tinker")

A CONTEMPORARY scribe the other day wrote that there was no apparent origin to swimming, and as with many other of the natural abilities of the human being it is impossible to imagine that there would be any specific beginning.

Primeval man must have encountered water. He may not have had much use for it except for drinking and fishing. There must have been other occasions, however, when he used it to wash his wounds, and the strange things it did to his body may have surprised him.

Having recovered from the shock of finding another colour to his torso underneath his coating of dirt, he may have been sufficiently interested in the phenomena to bravely face total immersion.

Deaths by drowning, there must have been and fear of water in large quantities must have been inherent for the seas and lakes in those days contained fish and amphibians the size of houses. But our hero, the first man to swim, lived in a slightly later era—when they had shrunk a bit.

He must have felt the buoyancy of the liquid medium and on one great occasion when he tumbled in he discovered that by moving his arms and feet like a dog he could not only remain afloat but was able to move around.

It is very possible, too, that one of these early fishermen dancing with anger over the one that got away, may have slipped and fallen into his pool and by similar manipulation of arms and legs have got back to safety.

By incidents similar to these it must have been discovered in long gone ages that man could maintain himself in water. For water, after all, is the home of the first forms of life. The amoeba and paramecium and other unicellular bodies—the lowest forms of life—are to be found in water.

Many days have passed since the 25 minutes dog-stroke record for 50-yard pool to the present time of 25 seconds, but the improvements have been mainly over the last hundred odd years, only.

Breast-stroke and side-stroke were the two principal styles in Britain before 1873, during which year J. Trudgen introduced a new stroke which he had learned in South America.

This was called the Trudgen, commonly known as the Trudgen and from it arose the crawl. This latter was copied from the natives of the South Seas—was introduced into Australia as late as 1900 and reached Britain in 1902. One cannot say how long it had been in use by the South Sea Islanders.

OF local swimming news there is little or none. The Lai Tsun University gala has been postponed until August 30, but the V.R.C.-Lai Tsun return gala will be as arranged. In this latter meet, however, one event has changed. Instead of holding the 100 yards breast-stroke, the distance has been lengthened to 220 yards.

THE dearth of sprinters in the V.R.C. was made most apparent at the trials held in their pool on Tuesday night for the selection of the combined V.R.C.-Y.M.C.A. team against the Combined Chinese Clubs. All four who clocked first and second were from the "Y".

And latest news is that D. H. Taylor is giving up competitive swimming.

A pleasant surprise was the form of Tony Lopez over the 50 yards back-stroke. He beat A. K. Rum-john, and it is always an encouraging occasion when one of the younger swimmers sprouts into the fore. His time of 32.4 seconds was excellent.

ATTRACTION this week-end will be the triangular gala at North Point to-morrow, between the Chinese Bathing Club, South China A.A. and the University Swimming Club. This is in aid of the Chinese Medical Relief Fund.

South China was one of the Chinese Clubs that was hard hit by migrations to Sing Tao, but they yet have a number of promising swimmers, especially among the women.

The programme contains two invitation races—100 metres free-style for men and 50 metres breast-stroke for women. It would be fine if some of the sprinters from Lai Tsun, the V.R.C. and Sing Tao turned out for the first named event, while in the second if Miss Li Po-luen takes part there is no doubt as to the winner.

Miss Ho Wai-king, the young O.B.C. star who, after only a year's acquaintance with swimming did so well in the championships last year, has made further advance and she should be a prominent figure at this meeting.

Trojan Basketeers

The following will represent the Trojans in their initial appearance in the Basketball League for the Wai Tsh Chai Trophy against Chinese Y.M.C.A. at the Chinese Swimming Pool, at 1.30 p.m., on Saturday.

C. Figueiredo, T. Silva, H. Silva, H. Silva, Nick Baltrac, Poon Kwon-yim, D. Neves, H. Oswald and D. Young.

Outsider Wins Again At Newmarket

NEWMARKET, July 31 (Reuters).—St Leger and other classic three-year-olds raced for the Sussex Stakes over a mile course here to-day, but La Gitan's upset calculations with victory over the fancied Firie, owned by Captain Balle.

Lord Rosebery's Ptolemy, the only St Leger candidate running, was third.

Schmeling Abed With "Stomach Ache"

.... Says Nazi Report

NEW YORK.—Max Schmeling is recuperating from a stomach ache and parachute fighting in Crete in a ward on the ground floor of the former American College just outside Athens, Harry W. Flannery, C. B. S. correspondent, said in a broadcast from German-occupied Athens after an interview with the former heavy-weight champion.

"His illness probably had been due to drinking some chocolate abandoned by the British during time he was separated from his company," Flannery said Schmeling told him during the interview. "The milk in it may have soured."

(The Nazis, in announcing Schmeling was in a hospital, said he was suffering from a "tropical disease.")

In Hospital

FLANNERY said he found the former prizefighter asleep in a ward with nine other German soldiers in the college building now turned into a hospital.

"Schmeling, it was learned, was among the first group of parachute troops which landed on Crete in the early morning of May 20 to undertake the first invasion of an island by air," said Flannery.

"Schmeling landed in a vineyard three miles south of Canea and four miles east of strategic Suda Bay."

Schmeling, who previously had been reported killed in Crete, said he lost 25 pounds from the strenuous battling and subsequent illness.

His Descent

Describing his descent, Schmeling was quoted as saying: "We swooped pretty low before we jumped out. Then we opened the chutes right away, and, as a result, there



THIRD SOCCER TEST MATCH

Action in the Third "Test" match between the touring Hongkong Chinese footballers and Australia at the Sydney Cricket Ground. China won 5-2. Here we see Lai Shiu-wing being tackled by two of the home team, while C. T. Tsao waits in the rear.

Six Chinese Soccer Players Invited To Stay In Australia

H.K.C.A.A.F. Annual Meeting Club Withdrawals

The Hongkong Chinese Amateur Athletic Federation held its annual general meeting yesterday, and despite the fact that six affiliated Clubs had withdrawn during the past term, a successful year was reported. Mr Mok Iing was in the Chair.

A profit of \$896.67 was shown, and in the report Mr Mok Iing revealed that during the year South China A.A., Chinese Bathing Club, Chinese R.C., Tai Koo Chinese R.C., Chinese Y.M.C.A. and the H.K. Miniature Football Union had withdrawn, but that the last three named had since rejoined.

New Officials

The following officials were elected for the ensuing year: Chairman, Mok Iing; Vice-Chairman, Lam Chi-fung; Treasurer, Mok Wai-tai; Auditor, Tam Pak-fan; General Secretary, Lo Kwok-min; Clerk, Vick Fashick.

The following were elected to take charge of the various sporting activities, with the assistant given second:

Football (See Po-wai and Lam Chung-ho); swimming (Tse Yim-sun and Lau Tin-kwong); basketball (Kwok Mak-hoi and Siu Hon-iti); track and field (Tsang Kin-hong and Chu Fook-ling); volleyball (Fau Han and Yu Ting-shik); water-polo (Lau Ting-kwong and Pun Bing-mun); ping-pong (Pang Kui-pul and Kwok Cheuk-kwan); miniature soccer (Lau Chung-tan and So Kim-ho); billiard (Wong Sin-wan and Soong Chi-yin); and Xuan Kam-to and Ng Far-ling in charge of publicity.

Each of the following eleven clubs affiliated to the Federation nominated five representatives to serve on the body: Chung Shing Benevolent Society, Eastern A.A., Kwong Wah A.A., Tai Koo Chinese Club, Hongkong Miniature Football Union, Tung Yee Club, Chinese Y.M.C.A., Ling Fung Club, Kit Chee, Wah Kiu and Kowloon Residents' Union.

were only about 12 seconds that we could be shot at.

"And we were shot at, too."

"Each of us guarded ourselves as we came down with a pistol."

"I've got a lot of friends over there (in the United States)," Flannery quoted him as saying. "I hope the war is over soon and we can get together again."

It now transpires that there were concrete offers behind the message from Sydney that stated that the touring Chinese football team from Hongkong were seeking to remain in Australia. This is what the Press reports:

Six members of the Chinese Soccer team have received offers to play with clubs in Australia.

They are V. K. Hyui (centre-forward), C. T. Tsao (outside-left), K. H. Chang (right-half), L. S. Sung (centre-half), Y. S. Hui (left-back), and S. W. Lai (inside-left).

If the players can be exempted from the Commonwealth Immigration Act regulations they will stay. The Australian Soccer Association had to provide £100 bonds for each of the Chinese players.

The bonds provide that the players will leave Australia within six months. The players will ask the Chinese Consul-General (Dr Pao) to negotiate for exemptions.

Keen To Stay

HYUI has been approached by Leichhardt, but the other players would not divulge the names of the clubs who had approached them.

Two offers from Melbourne clubs and the others from Sydney, said Hyui.

"My play has improved here, and in another season or two I am sure I would do very well."

Leichhardt's secretary (Mr W. Orr) said: "I will do all possible to assist in the negotiations for the players' stay."

"Hyui doesn't want fantastic conditions, and he would be the greatest centre-forward in Australia."

The co-manager (Mr Peter Woo) said: "The whole team would like to stay."

"I will do all possible to assist in the negotiations for the players' stay."

"Our players have become very popular because of their good conduct as well as good play."

"The players approached are good all-round athletes, and would be a boon to Australian sport."

"Chang and Hyui are Olympic Games basketball representatives."

Former Cases

A. RESNIK and A. Beth-Halevy, members of the 1938 Palestine team which toured Australia, were given permission to stay in Australia after the tour.

They are still playing in Victoria.

Boxing

Danahar Or Snow To Meet Ernie Roderick

THE BOXING CONTROL BOARD has decided to recognise a contest, if arranged, between Norman Snow and Arthur Danahar as a final eliminator for the British welter-weight championship, the winner to meet Ernie Roderick for the title.

Billy Hazelgrove is to meet Eric Jones (holder) for the southern fly-weight championship, and the Board has also decided to recognise a fight between Eddie Maguire and Dave McCleave as for the southern middle-weight title.

Hockey On Skates

The Hongkong Skating Club defeated the Corinthians by four goals to nil in a state hockey game played at Ciro Park on Wednesday. The winners scored two goals for the winners. The other goal-scorers were Cheung and A. Lam.

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NANCY

By Ernie Bushmiller



Barrage Of Truth Given Out In 25 Foreign Languages

European language broadcasts from Britain have now been organised on a scale unforeseen before the war, and in the B.B.C. foreign programmes a barrage of truth to counter lying enemy propaganda is now sent out on the air to Europe in 25 foreign languages.

The popularity of the bulletin is rapidly increasing in the German-occupied countries of Europe, for, despite Nazi efforts to suppress listening to Britain by every means in their power, from heavy penalties for those caught to attempted jamming, evidence is accumulating showing that a greater number of people are daily tuning in to British foreign broadcasts.

Local Nazi officers have made it virtually compulsory for their own and subject peoples to listen to the official Nazi voice throughout Europe; but they have created a positive urge among their enslaved subjects to hear the forbidden voice—that of Britain.

From a nucleus of broadcasts in three languages, French, German and Italian, when foreign broadcasts started with Mr Chamberlain's eve of Munich speech on September 27, 1938, the service has steadily grown to meet the needs of Europeans.

News Services

News services in Polish, Czech, Rumanian, Serbo-Croat, Greek, Spanish and Portuguese were firmly established after the first month of war and soon services in Turkish, Bulgarian, Swedish, Finnish, Danish, Norwegian, Dutch, and Albanian were added.

News bulletins broadcast daily in German numbered eight, and French six at the end of 1940, with one or more bulletins in other languages. Prompt and accurate news ranks first in the service, although these bulletins are interspersed with topical talks, magazine programmes, dramatic dialogues, sketches, special music recitals and popular songs to meet needs of individual countries. News editors with extensive knowledge of geographical conditions, and practical experience of the respective countries, shape the news-bulletins in consultation with expert translators and announcers, for nearly all of whom each language is their mother tongue.

A lively morning and evening magazine half-hour in French has created a loyal following, many of which are being repeated throughout France.

"March of Freedom"

Forces dishing the Nazis are dramatically brought together in Germany by a "March of Freedom" feature, while the voices of King Haakon and the Norwegian Crown Prince have a number of times thrilled Norwegians listening to the Norwegian service.

A special Dutch feature "Radio Orange" supplements the B.B.C.'s Dutch service and the voices of Queen Wilhelmina and Princess Juliana have helped to encourage staunch Dutch freemen.

The special Czech period serves as a link between Czech forces here and their resisting brothers at home. Belgian needs are served by a special programme in French and Flemish on alternate days.

The majority of the services are carried by short wave transmitters to give clear reception, but where conditions are suitable, medium waves are being used to augment many of the services.

Aukward Facts

Pains taken by the Nazis to counter in their home news, and awkward news given by the B.B.C., indicate that the authorities fear the audience which hears the British news. But listeners seem determined to hear the truth from outside in spite of difficulties and penalties. In Poland private wireless sets are illegal, but British bulletins are copied and circulated in leaflet form. A Polish "letter box," started in October, 1939, to give news of Polish refugees all over Europe, had broadcast 34,000 names by July, 1940.

In Czechoslovakia anything broadcast from Britain is circulated through the country in a few hours. To-day the B.B.C. broadcasts to Europe in twenty-five languages. These are: Albanian, Bulgarian, Czech, Danish, Dutch, English, Finnish, Flemish, French, German, Greek, Italian, Magyar, Norwegian, Polish, Portuguese, Rumanian, Serbo-Croat, Slovene, Spanish, Swedish, Icelandic, Slovak, Luxembourg, Polish and Maltese.

CHICKEN PRODIGY

A chicken with four legs has been hatched at a poultry farm in East Anglia. Occasionally such freaks are recorded, though they rarely live, states a correspondent.



NEW UNIFORMS — U. S. Army nurses henceforth will wear snappy new uniform at left, as contrasted with present one, at right. New uniform is of two-tone blue design of covert cloth. Old cape was olive drab.

Bank's Plan To Help The Small Borrower

Specially designed to aid Singapore's clerical classes, a scheme will shortly be introduced for the first time in Singapore by the Oversea-Chinese Banking Corporation, under which clerks may borrow from a minimum of \$50 to a limit of \$400, returnable by monthly instalments.

The bank's plan follows generally the suggestion made by Mr G. H. Kiat at a recent Singapore Rotary Club dinner that a scheme should be instituted whereby employees needing financial assistance may go to a bank for small loans at a comparatively low rate of interest.

The scheme which the bank proposes to launch requires briefly the debtor to provide two guarantors and answer a questionnaire giving reasons for desiring a loan and particulars of employment.

His employer, wherever willing, will be asked to confirm his replies to the questionnaire and to state the character of the applicant.

Genuine Cases Only

By this means the bank is able to ascertain not only whether it has a reasonable chance of obtaining repayment, but whether the loan is being requested for a purpose other than pleasure or luxury.

The scheme is intended solely to assist genuine cases of financial embarrassment caused by an emergency or a domestic event, such as a birth, marriage, illness, or death.

Raid Victims' Inquest

Press Wants Admission

Mr Osbert Peake, Parliamentary Under-Secretary to the Home Office, recently received a deputation from the Institute of Journalists, consisting of Mr H. Boulkes (chairman, executive committee), Mr Alan Robbins (hon. treasurer), and Mr Stewart Nicholson (general secretary), who made representations on the exclusion of the Press from proceedings in coroners' courts concerned with the presumption of death under the defence regulations.

Mr Boulkes said that the fact that presumption proceedings in the High Courts had always been public could clearly demonstrate that the principle of open hearing and reporting of such cases was approved by the judiciary. It was inevitable that the suppression of the facts would tend to breed local suspicions, and insinuations.

Mr Alan Robbins said that the institute's representations were being made largely in the interest of the local newspapers, which had a close concern and intimacy with coroners' courts, and to which the regulation they were protesting against was therefore a matter of great importance.

Mr Peake promised to submit the representations to the Home Secretary and Minister of Home Security.

Concrete Merchant Ships May Soon Be Constructed

PHILADELPHIA, June 21.—Concrete tankers and merchant ship as strong and light as steel were envisaged by engineers to-day after a test of a new type vacuum dried concrete containing a special variety of steel reinforcement.

Two "planks" of the material 12 feet long and 2 1/2 inches thick "got the works" in a steel-jawed strength testing machine at the University of Pennsylvania, a load of 6,890 pounds bent the centre of one 5 inches out of line before the concrete began to crack.

Inventor Karl L. Billner and several of the university engineers calculated this imposed a compressive stress within the tissue of the concrete of 12,500 pounds a square inch.

A second plank of slightly different construction withstood a compressive stress of 15,000 pounds and was bent eight inches to spring back to within one and a half inches of its original line when pressure was released.

Dr Theodore Crane, professor of architectural engineering at Yale University and one of those watching the test, pointed out that concrete structures ordinarily are designed to permit compressive stresses of 650 to 900 pounds a square inch. Even allowing a safety factor of 50 per cent, on the new concrete, he said, it would have a strength eight to 10 times that of ordinary concrete.

For Bomb Shelters

Billner, who has used the vacuum-dried material in building floors of a number of government buildings, also has demonstrated its use in speedy construction of bomb shelters.

Since the concrete forms can be removed 15 minutes after the material is poured, the inventor said it would be possible to build ship hulls rapidly, a 10,000-ton tanker being constructed of concrete in four weeks as contrasted to several months using steel.

Illegal Medical Practices

Mr Calwell (Lab., Vic.) alleged in the House of Representatives at Canberra that 5 to 10 per cent. of doctors in Australia were engaging in criminal abortion.

"These men were partly educated at the expense of the State, and they are expected to use their healing powers for the sake of the community," he said. "Instead, they are prostituting their knowledge and ability and becoming enemies of the nation."

Of 5,000 abortion cases treated annually in Melbourne hospitals, Mr Calwell said, more than 2,000 were self-induced or resulted from illegal operations.

Claims by doctors that therapeutic abortions were procured for the sake of health were disproved by the fact that 25 per cent. of the patients were sane women.

Mr Calwell claimed that the death-rate associated with illegal operations was from seven to eight per cent., and yet neither the Federal Government nor State Governments had done anything to stop this infanticide.

Sold Eggs Over Maximum

Grocer Fined £225

"I know of no more effective way of assisting the enemy to-day than by this type of offence," stated the North London Magistrate (Mr Daniel Hopkin) when he fined Isadore Blum, a grocer, a total of £225, with 20 guineas costs, on three summonses for offering for sale to another grocer cases of eggs at prices exceeding the maximum.

It was said by the prosecution that Blum would have made an illicit profit of £22 10s. as a result of the intended deal.

The defendant pleaded "Not Guilty" and said that he had offered the eggs at 2s. 6d. a long hundred below shop prices. He alleged that it had been a case of a bird in the hand.

It was denied by the intended purchaser that he had ordered airdines.

DONATIONS TO CAUSES

Bomber Fund Up

The Bomber Fund "giant thermometer" rose by over two thousand dollars yesterday as a number of splendid donations were received during the day. The Kian Gwan Company (China) Ltd. sent \$1,000; the tenth donation (\$100) came from "Ex-Dynand," a fifth donation was received from Mr and Mrs E. A. Pritchard of \$300; while the members of the ZBW broadcasting team in French, sent a second donation of \$450. There were also an encouraging number of monthly donations, bringing the total of the Fund to \$2,441,957.64.

Members of Z.B.W. Broadcasts in French (2nd donation) \$ 450
"Ex-Dynand" (tenth donation) \$ 100
Kian Gwan Company, (China) Ltd. \$1,000
"Dieu Game at Sydney" \$ 23.10
Mr and Mrs E. A. Pritchard (fifth donation) \$ 300
"X. D. O. Shrapnel Box" \$ 5
Mr Thomas Sue, Canton (in memory of the late Mr Ian S. Forbes) \$ 1
Anonymous \$ 1
The following monthly donations to the Bomber Fund were also received yesterday:

Mr F. A. R. Newton	\$25
Mr G. M. Sinclair	10
Mr P. Duckworth	10
Mr E. J. Grant	25
Mr R. C. Jones	10
Mr W. Hewitt	10
Mr M. S. Fortescue	25
"W. P. C."	10

CHILD PROTECTION

The Hongkong Society for the Protection of Children announces the following donations collected during July, 1941:

The Rotary Club of Hongkong, \$200; Mr D. L. Cochran (Life Membership), \$100; Mr and Mrs G. I. Angus, \$25; Anonymous "H.B.I.", \$10; Rev. and Mrs H. R. Wells, \$5; Police Magistrate, Kowloon (contribution for Leung Man), \$4; Donations received acknowledged through the South China Morning Post, \$5. Total \$349.

Further donations will be gladly accepted by the Hon. Treasurer, Mr A. McCallar, c/o MacKinnon MacKenzie & Co., P. & O. Building.

ST. VINCENT, DE PAUL

The Society of St Vincent de Paul acknowledge receipt of the following donation in memory of the late Mrs E. L. Rozario:

Mrs J. C. Gutierrez, \$2.
The S. C. M. Post has received the following donation to the Society of St Vincent de Paul in memory of the late Mrs E. L. do Rozario:
F. D. da Silva, \$2.

S. P. C. A.

The S. C. M. Post has received the following donation to the Society for the Prevention of Cruelty to Animals:
B. Cartwright, \$2.

SALVATION ARMY

The Salvation Army Headquarters gratefully acknowledge receipt of "Bells of Rice Campaign" tickets from the following:
Mr C. C. Jefferys, Messrs Khainchand Chellaram; many Anonymous.

TEACHERS' SALARIES

The Director of Medical Services gratefully acknowledges receipt of \$300 from the Hongkong Indian Swastika Society for defraying the salaries of teachers at Tai Irgau, and Ngau Tau Kok Squatters Camps.

FOOD KITCHENS

The S. C. M. Post has received the following donation to the Food Kitchens Fund:
O. C., \$3.

DONATIONS WAITING

Donations for the following Organizations await collection at the office of the S. C. M. Post: Associação Portuguesa de Socorros Mútuos; Lord Mayor's Fund for the Relief of Air Victims; B.W.O.; Emergency Refugee Council; New Territories Relief Association; Chungshan Refugees; B.F.R.D.C.; Blind Girls' Home; Food Kitchens Fund; St Vincent de Paul; Salvation Army; S.P.C.A.

"A Dispatch From Reuters"

Film to be Shown Here

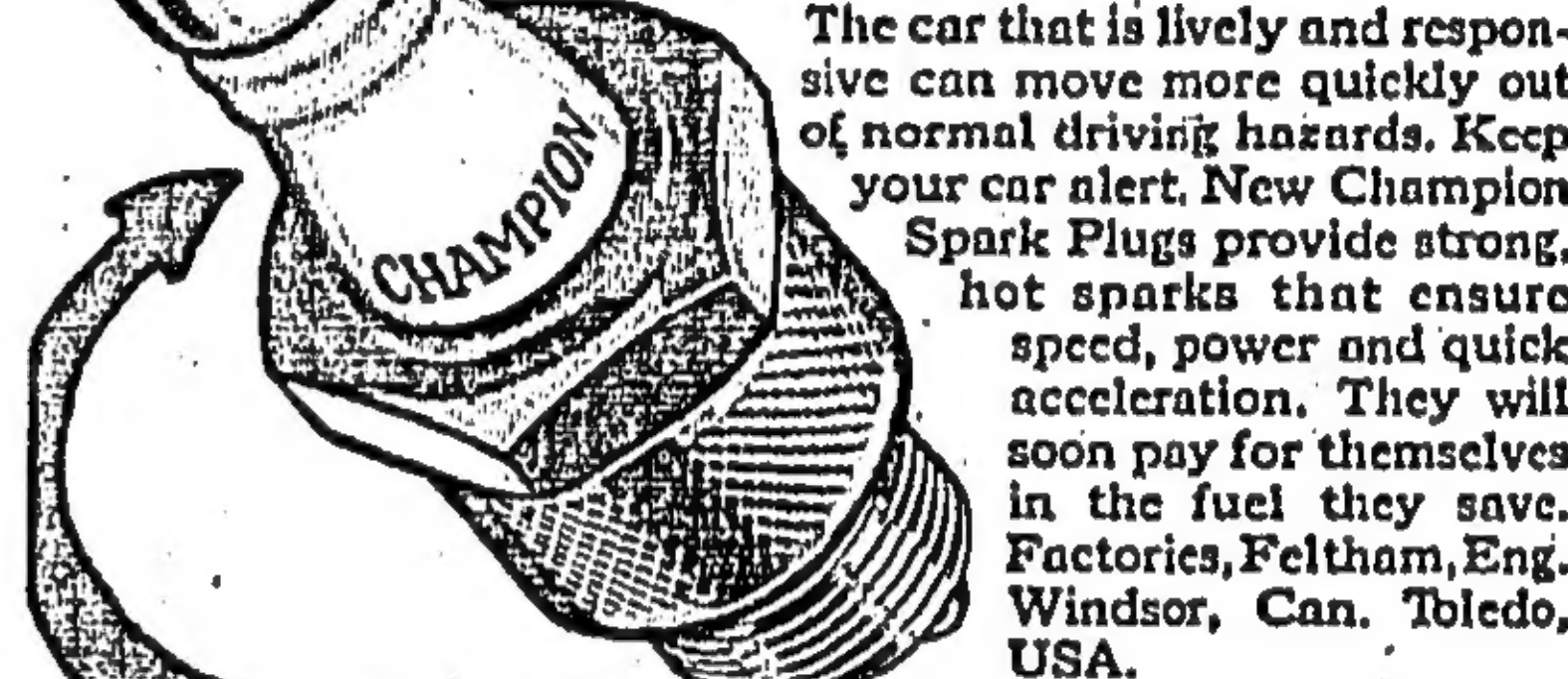
One of the great romances of the last 90 years of international journalism has been the creation of "Reuters" news service. The story of that gigantic world-wide organization has now been made into one of the outstanding films of recent times, and it is to be screened in Hongkong as from August 10.

"A Dispatch from Reuters", which features Ed. G. Robinson as Julius Reuter, founder of the organization, has been "voluntarily" applauded wherever it has been shown, and Hongkong, which through its newspapers is familiar with the famous credit title "Reuters", will doubtless welcome this magnificent film of an amazing man and his organization. Edna Best plays the part of Ida Magnus who married Reuter, while other personalities in the cast are Eddie Albert, Nigel Bruce, Otto Kruger, James Stephenson, Albert Basserman, Lumadon, Harro, and Montagu Love.



W. R. LOXLEY & CO., (China) LTD.

Yes! Spark Plugs can increase your car's SAFETY!



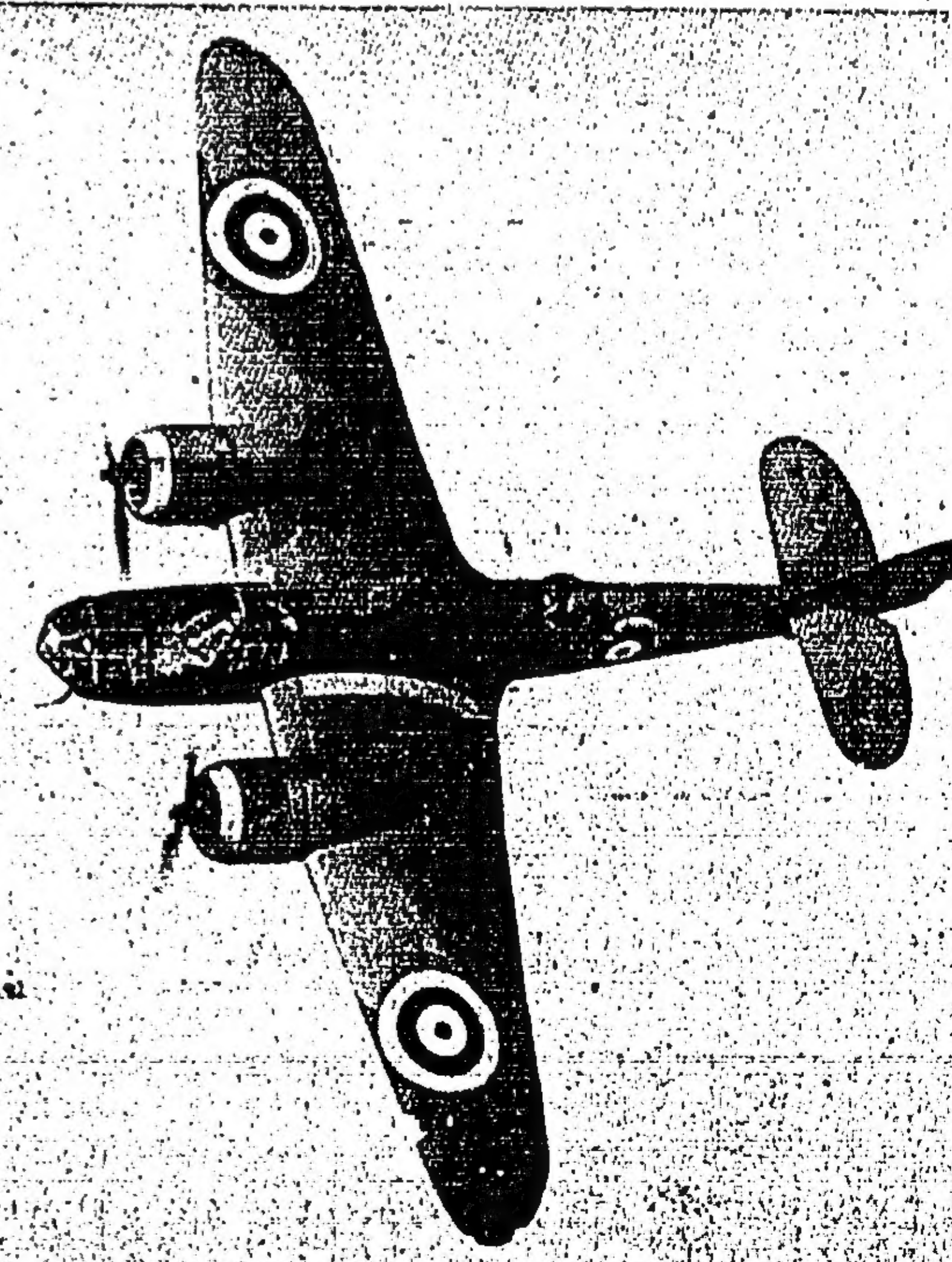
The car that is lively and responsive can move more quickly out of normal driving hazards. Keep your car alert New Champion Spark Plugs provide strong, hot sparks that ensure speed, power and quick acceleration. They will soon pay for themselves in the fuel they save. Factories, Feltham, Eng. Windsor, Can. Toledo, USA.

Install new Champion Spark Plugs!

FOR — GROCERIES, BUTCHERIES, FRUITS, GREENS & SUNDRIES, ETC.

THE ASIA COMPANY
OI-KWAN BLDG. DES VOEUX ROAD, PHONE 20416

Keep The Bomber Fund SOARING



TYPES OF BOMBERS HITTING HITLER!

1 — The Bristol Blenheim medium bomber.

Donations: \$2,441,957.64. Remitted to London: £151,939.19.6d

THINK

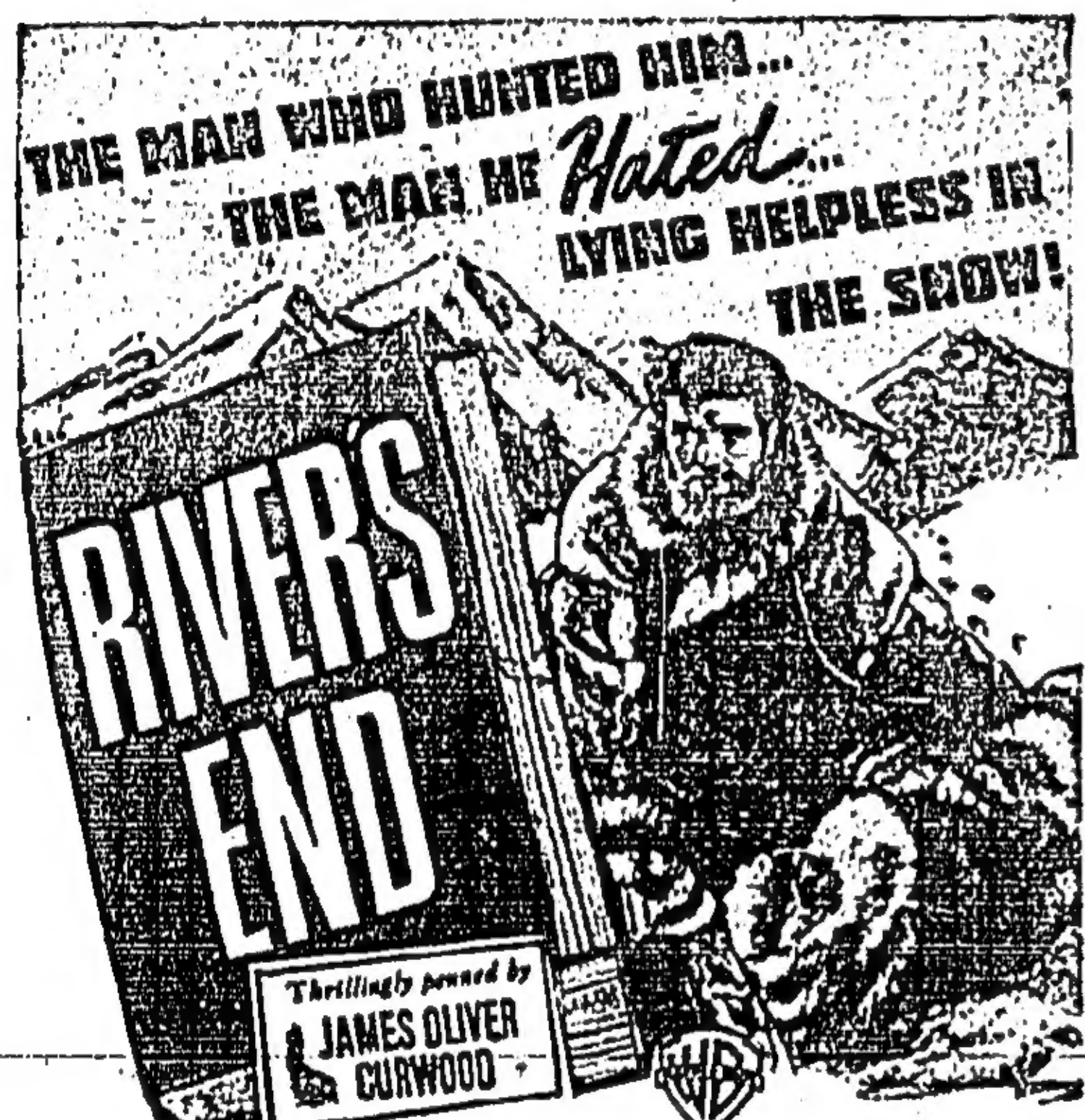
NEW SCREENING TIMES FROM TO-DAY
AT 2.30 - 5.30 - 7.45 - 9.45 P.M.



NEXT CHANGE "ONE NIGHT IN THE TROPICS"
with ALLAN JONES - NANCY KELLY - BUDABBOTT
LOW COSTELLO - ROBERT COMMINGS—A Universal Picture

ORIENTAL

FOR TO-DAY AND TO-MORROW
HERE'S WHERE CIVILIZATION ENDS AND THRILLS BEGIN!
Beyond the furthest reach of civilization, a hunter and his human quarry meet. There begins the most stirring adventure of the Northwest Mounted.



DENNIS MORGAN - GEO. TOBIAS

STARTS "HIGH SIERRA" IDA LUPINO
SUNDAY HUMPHRY BOGART
MATINEES: 30c, 40c. EVENINGS: 30c, 40c, 55c, 70c.

CATHAY

TO-DAY & TO-MORROW
THE "HAPPY-GO-LAUGHING" MUSICAL HIT!
A world of gaiety, joy and romance-sparkling with the melodies of VINCENT YOUMANS. If you love a thrill for your eye, a thrill for your ear and thrill for your heart - - - DON'T MISS IT!



STARTING SUNDAY : "CHAD HANNA" Henry Fonda
Linda Darnell

LEE THEATRE

SHOWING TO-DAY
A CHINESE DRAMA
IN MANDARIN
集續聲歌半夜 "THE ELEGY"

New places are springing up everywhere. But for best service and quality, none can compare with your Old Favourite Restaurant.

THE CHANTECLER
TRY OUR POPULAR \$1.00 TIFINS
Served in the Snack Bar

Selassie Takes His Revenge

Orders Arrest Of His Own Son-in-Law

CAIRO, June 21.—The restored Emperor Haile Selassie has ordered the arrest of his own son-in-law and two other powerful Ethiopian tribal chieftains for treachery in trafficking with the Italians in their conquest and five-year occupation of Selassie's kingdom.

Reliable information received from Addis Ababa said the three were Ras Haile Selassie Gussa, who married the emperor's daughter, Zenab Warik, Ras Seyoum and Ras Hallu.

Of the three, only Ras Seyoum, hereditary ruler of Tigre province and father-in-law of Ethiopia's crown prince, has escaped the imperial wrath in the past.

Ras Gussa's family has been out of favour with the ruling clan for more than half a century.

He is a great-grandson of Johannes, who, though nominally emperor for 20 years, had to share his power with King Menelik, who controlled the rich central provinces.

Apology For Tutuila Bombing

London, July 31.
Japan has apologized to America for the bombing of the U.S.S. Tutuila.

A message from Tokyo says the Foreign Minister, Admiral Toyoda, has expressed his Government's regrets to Mr. Joseph Grew, United States Ambassador, and added that the regrets were offered before the American Ambassador had time to make representations as instructed by Washington.

Admiral Toyoda informed Mr. Grew that urgent messages had been sent to all Japanese forces instructing them to do their utmost to avoid damaging American property.

Mr. Grew also protested against the rigid censorship of messages relating to the bombing.—Reuter.

Minister To Iceland
WASHINGTON, July 31 (Reuter).—Mr. Lincoln MacVeagh, formerly United States Minister to Greece, has been nominated by President Roosevelt as Minister to Iceland.

The Chinese Volunteer Club will be holding a dinner at the Golden City Restaurant to-morrow evening.

LATE NEWS



NO GOOD TO U. S. — Policeman stands guard in front of German consulate in New York, ordered closed by U. S. State Department for assorted fifth column activities.

TITANIC BATTLE OF SMOLENSK

— FROM PAGE ONE —

Porkhov, Novorzhev and Zhitomir directions. In other directions and sectors of the front, no important engagements took place.

"During the day of July 30, enemy planes thrice attempted to raid Leningrad. All attempts to break through to the town were beaten off by A.A. fire and by our fighters."

Japan Seeking Pact With Thai

— FROM PAGE ONE —

The "Supaburus" drawing attention to the respective procedure adopted by the two Powers when moving up their forces to the Thai border.

The paper says that the British authorities always informed the Thai Government of every military movement near the Thai border, but the Government was still without official information regarding Japanese troop movements though a Japanese air base is reported to have been established three miles from the new Thai frontier with Cambodia.

JAPAN SUSPENDS PANAMA TRADE

WASHINGTON, July 31 (Reuter).—Japan has suspended merchandise trade with the Republic of Panama since the United States stopped Japanese ships using the Panama canal "because of repairs," according to the Commerce Department, which says that the action is significant for this is the first time that Japan has ever suspended exports to any Latin American country.

Famous Newspaper Publisher Dies

"SPECIAL TO THE 'TELEGRAPH'"
WALTON ON HILL, Surrey, July 31 (UP).—Sir Emsley Carr, 74, Editor in Chief and Chairman of the "News of the World," the circulation of which he built up from 40,000 in 1891 to 4,000,000, the largest Sunday circulation in the world in 1939, died here to-day.

CHINESE ASSETS IN BURMA

Frozen By Request

RANGOON, July 31 (Reuter).—The Burma Government has issued a decree freezing Chinese assets.

An explanatory communique says that the order was issued at the request of the Chinese National Government and adds that the Reserve Bank is empowered to exclude persons and firms resident in Free China and also private accounts of Chinese residents in Burma.

COST OF BREAD IN CANADA

OTTAWA, July 31 (Reuter).—The threatened increase in the price of bread in Canada has been averted. This was stated by Mr. Mackinnon, Minister of Trade, in announcing that the wheat processing tax of 15 cents per bushel ended to-day, and will not operate in the new crop this year.

The lapsing of the tax, said Mr. Mackinnon, would avoid an increase in the price of bread in Canada which had been threatening ruin, the tax having heavily affected bakers.

Offer To Train S. American Pilots

"SPECIAL TO THE 'TELEGRAPH'"
WASHINGTON, July 31 (UP).—Informed circles state that the Administration will soon offer to train hundreds of South American pilots in the United States as part of the United States campaign to end the Axis control of commercial aviation in those countries.

The immediate purpose of the project is to provide a large well trained corps of pilots to operate the new air lines which are to be organized after the expulsion of the Axis lines since a shortage of South American pilots would necessitate the hiring of American pilots to operate the new lines.

Attachment Against Two Japanese Ships

CAPETOWN, July 31 (Reuter).—The attachment on the Japanese steamer Manila Maru has been transferred to its sister-ship Belgium Maru, which arrived from Durban, but a supplementary writ of attachment granted on July 29 on behalf of a second group of merchants still applies to the Manila Maru.

The position thus is that both the Japanese ships are now attached though no objection is likely to be taken by the second applicants against the transfer of the writ to the Belgium Maru which is the ship in which they are directly interested.

QUEEN'S & ALHAMBRA

NOTE NEW TIMES
2.30, 5.30, 7.45, 9.45

TO-DAY & TO-MORROW

Prepare Yourself for a Treat - - - When a Group of Amazingly Talented Youngsters Display Their Musical Ability!



SUNDAY "ONE NIGHT IN LISBON"
Paramount Romantic Comedy
FRED MacMURRAY - MADELINE CARROLL
PATRICIA MORISON - BILLIE BURKE

STAR

NOTE NEW TIMES!
2.30, 5.30, 7.45 & 9.45 P.M.

To-day & To-morrow

LAURENCE OLIVIER
JOAN FONTAINE
"REBECCA"

SUNDAY

MICKEY ROONEY
"Andy Hardy Meets Debutante"

MAJESTIC THEATRE

MATINEES: 30c-40c. EVENINGS: 30c-40c-60c-70c.

NEW TIMES FROM TO-DAY:
At 2.30, 5.30, 7.45 and 9.45 p.m.

TO-DAY & TO-MORROW

The Latest and Best of the "Cisco-Kid" Adventures!



ADDED ATTRACTION:
LATEST MOVIE-TONE NEWS
Directly after the King's Theatre

COMMENCING SUNDAY
THE EPIC OF THE MORMONS!
"BRIGHAM YOUNG"
TYRONE POWER - LINDA DARNELL - DEAN JACGER
A 20th Century-Fox Super-Production!

Rich Railroad Man Dead

NEW YORK—Arthur Curtiss James, 74, one of the 12 richest men in America, died recently of pneumonia, 20 days after his wife's death.

James, who inherited copper, silver and gold mines and railroad securities from his grandfather and father, used his wealth to purchase more railroad stock until he was reputed to hold more railroad securities than any other man in the country.

His investments at one time were estimated at \$350,000,000 in approximately 40,000 miles of railroad.

Thoroughbred Bull Breaks Record

PLEASANT PLAINS, Ill. — A thoroughbred Aberdeen-Angus bull was auctioned here for U.S.\$15,000 breaking a 20-year-old price record on the books of the Aberdeen-Angus Breeders' Association.

The Bull, Elcomero 280, was sold by J. Garrett Tolan of Pleasant Plains to Col. A. E. Pierce of Canterbury Farms, Warrenton, Va. Mr. Tolan's cattle broke another 20-year record, when 39 head of thoroughbred Aberdeen-Angus were auctioned for an average of U.S.\$984.

Printed and Published for the Proprietors by FREDERICK PERCY FRANKLIN at 1 and 3, Wyndham Street, in the City of Victoria, Hongkong.

Ingenohl's Grand Corona



Obtainable at all
Ingenohl's Cigar Stores "La Perla del Oriente" and other tobacconists

Box of 25 \$10.—
Barrels of 25 \$15.—
Humidor of 25 \$10.—
Humidor of 50 \$19.—
DE LUXE Box of 10 \$ 5.—
DE LUXE Box of 25 \$11.—
DE LUXE Box of 50 \$21.—
DE LUXE—Camagón of 25 \$12.50
In GLASS TUBE—Box of 10 \$ 7.70

CLASSIFIED ADVERTISEMENTS

25 words \$2.50

for 3 days prepaid

WANTED KNOWN.

FLOWER and Vegetable Seeds: New Shipments have now been received. Book your order now. Special prices will be quoted for vegetable seeds in bulk. Ask for our Catalogue. The Clover Flower Shop.

FOR SALE.

THE HONGKONG NATURALIST, Vol. X nos. 3 and 4. Price \$4 (postage extra). Now on sale at South China Morning Post Ltd.

Chinese Seamen Machine-Gunned

The ramming of a Chinese junk and the subsequent machine-gunning of the crew by a Japanese trawler is revealed to have taken place in Chinese waters near the Colony, in a report made to the Police. Li Kwai-yun, master of the junk, declares that about 8 o'clock on the morning of July 27 he was sailing in ballast near Sha Yau, Chinese waters, when a Japanese trawler approached and rammed him, cutting the junk in half. As he and his crew clung to the debris, the Japanese opened fire with a machine-gun. Li was wounded in the knee, Fung Cheung, 50, was killed, while Young Shui and Lee Tong, two other members of the crew are missing. Li is now receiving attention in hospital.

Famous Newspaper Publisher Dies

SPECIAL TO THE "TELEGRAPH". WALTER ON HILL, Surrey, July 31 (UP).—Sir Emile Carr, 74, Editor in Chief and Chairman of the "News of the World", the circulation of which he built up from 40,000 in 1891 to 4,000,000, the largest Sunday circulation in the world in 1939, died here to-day.

The Hongkong Telegraph Eleventh Annual Amateur Photographic Competition June—September, 1941. Two Silver Trophies Awarded by ILFORD LTD. For the best and second-best entries. Three Silver Trophies Awarded by EASTMAN KODAK CO. First Prizes in each of the three Sections.

\$250 CASH PRIZES \$250

SECTION ONE

Interior scenes. Table Top and Still Life Studies. (Excluding portraiture, plants and flowers).

1st KODAK SILVER TROPHY 2nd \$40. 3rd \$30. 4th \$10

SECTION TWO

Portraiture. 1st KODAK SILVER TROPHY 2nd \$40. 3rd \$30. 4th \$10

SECTION THREE

Plants and Flowers. 1st KODAK SILVER TROPHY 2nd \$50. 3rd \$30. 4th \$10

RULES

- The following Rules will govern the Competition.
- The Competition is open to all photographers.
- The entries awarded the Ilford Trophy for the best and second-best pictures in the Competition, will not be entitled to any other prizes.
- The prizes will be awarded to the competitors sending in what are adjudged to be the best photographs in each Section. Each entry must be accompanied by a form which will be published during the period of the Competition, and which must be based on back of entry.
- The right to publish any or all of the entries is reserved to the Hongkong Telegraph.
- All photographs entered must have been taken in the Colony of Hongkong. Photographs which have been taken elsewhere in other Competitions are ineligible.
- No responsibility will be accepted for non-delivery of, loss of, or damage to entries.
- All entries to be either black and white, or tinted pictures, and must be mounted. Coloured photographs are ineligible.
- Pictures submitted in sepia tones should be accompanied by a smaller print in black and white.
- No picture to be entered in more than one Section.
- Mounts to be only white or cream, must be of one of the following sizes—10x12, 10x20.
- No correspondence will be entered into in connection with the Competition.
- Members of the Staffs of the Hongkong Telegraph and the South China Morning Post are not permitted to compete.
- The decision of the Judges shall be final.
- At the conclusion of the Competition, entries will be returned to competitors on application at the Telegraph offices within seven days.
- The use of atlases is strictly forbidden.

ENTRY FORM

NAME
SECTION
ADDRESS

Please use block letters and paste one of these forms on back of each entry.

NEW ADVERTISEMENTS.

BANK HOLIDAY

In accordance with Government Ordinance, The Exchange Banks will be closed for the transaction of Public Business on Monday, the 4th August, 1941. (The first Monday in August).
Hongkong, 30th July, 1941.

G. R.

PARTICULARS & CONDITIONS of the Sale by Public Auction to be held on Tuesday, the 5th day of August, 1941, at 3 p.m., at the Offices of the Public Works Department, by Order of His Excellency the Governor of one Lot of Crown Land at Cheung Sha Wan, in the Colony of Hong Kong, for a term of 75 years, commencing from 1st July, 1898, with the option of renewal at a Crown Rent to be fixed by the Surveyor of His Majesty the KING, for one further term of 24 years less the last three days thereof.

Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant) will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, (\$200) in cash. This sum will be refunded on payment of the Purchase price.

PARTICULARS OF THE LOT.

No. of Sale	Locality	Boundary Measurements	Contents in sq. ft.	Ann. Rental	Upset Price
1	New Territories Inland Lot No. 2577.	Between Wing Street and Wing Street between Wing Street and Wing Street between Wing Street and Wing Street	about 21,000	\$250	\$12,000

The purchaser of the lot will be required to pay to the auctioneer in cash the sum of \$1,200.00 (being 10% of the upset price) immediately after the fall of the hammer, the balance of the premium being paid in accordance with the Conditions of Sale.

NOTICE

DEFENCE REGULATIONS 1940
The following rates will be charged for mailing single copies of the following newspapers abroad:
South China Morning Post
China and Macao
16 cents per copy
British Empire and Foreign
25 cents per copy
The Hongkong Telegraph
China and Macao
10 cents per copy.
British and Foreign
20 cents per copy
25 cents Saturdays.

Quo And Kerr At Dinner

CHUNGKING, July 31 (Central News).—Dr Quo Tai-chi, Minister of Foreign Affairs, was honoured at a dinner reception given by the Sino-British Cultural Association and the British Returned Students' Union Wednesday evening, at which over 100 members and guests were present. The British Ambassador, Sir Archibald Clark Kerr, co-President of the Association and Chairman of the Union, presided.

Attachment Against Two Japanese Ships

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Swan, Culbertson & Fritz

Investment Bankers and Brokers

Members of New York Cotton Exchange.
Chicago Board of Trade
Manila Stock Exchange
Winnipeg Grain Exchange
Commodity Exchange, Inc., New York
Canadian Commodity Exchange, Inc., Montreal
New York Coffee and Sugar Exchange
Hongkong Sharebrokers Association
Shanghai Stock Exchange

SHANGHAI, HONGKONG, MANILA and BUENOS AIRES
Cable Address: SWANSTOCK

Exchange At A Glance

SELLING

T.T. London	1/2 1/2
Demand London	1/2 1/2
T.T. Shanghai	400 n.
T.T. Singapore	52 1/2 n.
T.T. Japan	102 1/2 n.
T.T. India	24 1/2
T.T. U.S.A.	24 1/2
T.T. Manila	40 1/2
T.T. Batavia	40 1/2
T.T. Bangkok	140 1/2
T.T. Saigon	107
T.T. France	105
T.T. Switzerland	105
T.T. Australia	1/0 1/2

BUYING

4 m/s L/C London	1/3 1/4
4 m/s D/P London	1/3 1/4
4 m/s L/C U.S.A.	25 1/4
4 m/s France	84 1/2
30 d/s India	4.02 1/2
U.S. Cross rate in London	4.02 1/2
U.S. Cross rate in N.Y.	...

H.K. Stock Market

The following quotations were issued on the Hongkong Stock Market this morning.

BANKS	
H.K. Banks \$	x.d. 1,340 s.
H.K. Banks £	x.d. 70 n.
H.K. Banks (H.K.) £	x.d. 75 n.
Chartered Bank £	75 n.
Mercantile, A. & B. £	23 1/2 n.
Mercantile C. £	75 n.
East Asia	75 n.
INSURANCES	
Canton	225 b.
Union Ins.	405 n.
China Underwriters	1 n.
H.K. Fire Ins.	185 b.
SHIPPING	
Douglas	120 n.
Steamships	8 1/2 n.
Indo-China P. S.	90 n.
Indo-China D. S.	70 n.
Shell (Bearers) s/-	48/9 n.
Waterboats	0.55 n.
DOCKS ETC.	
Wharves	91 sa.
Docks	15.70 n.
Providents	0 n.
Shai Dockyards	27 n.
MINING	
Kailan s/-	13/6 n.
Raub	8 n.
H.K. Mines	2 cts n.
LANDS	
Hotels	34.00 s.
Lands	34.00 s.
Landmarks	97 1/2 n.
Shui Lands Sh.	47.00 n.
Humphreys	7 n.
H.K. Realities	3.30 n.
Chinese Estates	101 b.
UTILITIES	
Trams	17.30 s.
Peak Trams (old)	7 n.
Peak Trams (new)	3 1/2 n.
Star Ferry	53 1/2 n.
Y. Ferry	22 n.
China Lights (old)	0 s.
China Lights (new)	1.30 n.
H.K. Electric (old) x. r/s	22 1/4 n.
H.K. Electric (new)	21 n.
H.K. Electric Rts	11 s.
Macao Electric	12 1/2 n.
Telephones (old)	23 n.
Telephones (new)	8 1/2 n.
INDUSTRIALS	
Cald: Macg. (Ord.) Sh.	30 n.
Cald: Macg. (Pref.) Sh.	25 n.
Canton Ice	1 n.
Cement	14 1/2 n.
H.K. Hops	8 1/2 s.
STORES	
Dairy Farms	19 1/4 n.
Watsons	10 1/4 n.
Lane Crawford	0.45 n.
Sincere	2 1/2 n.
Wing On (H.K.)	30 n.
Wm. Powell, Ltd.	1 1/2 n.
COTTON MILLS	
Ewo Sh.	37 1/4 n.
Shai Cotton Sh.	305 n.
MISC.	
H.K. Govt 4 1/2	x.d. 95 1/2 b.
H.K. Govt 3 1/2 (1934)	94 1/2 b.
H.K. Govt 3 1/2 (1940)	95 sa.
Ch. Govt. 5 1/2 1925 GSBds	0.42 n.
Entertainments	0.04 n.
Constructions (old)	80 cts n.
Constructions (new)	80 cts n.
Vibro Piling	7.20 n.
Marsmans Inv. (Lon.) s/-	5/7 1/2 n.
Marsmans Inv. (H.K.) s/-	2/1 1/2 n.

Talking Through His Hat

Paper Assails Senator

SPECIAL TO THE "TELEGRAPH". NEW YORK, July 31 (UP).—The "New York Times" in an editorial to-day under the heading "Nonsense in the Senate," assailed Senator D. Worth Clark's proposal that the United States create puppet governments in Latin America. "This particular bit of nonsense will doubtless be distributed as widely as possible by the industrious Doctor Goebbels to whom it will come like manna from the skies. It can do harm if taken seriously. But we trust that our Latin American friends will note Senator Clark's proposal with promptness and emphatically repudiate it. President Roosevelt and Mr. Sumner Welles, and that they will recognise that Clark is talking through his hat and speaking for himself alone."

New Egyptian Cabinet Has Staunch Allied Supporter

CAIRO, July 31 (Reuters).—Hussein Sirry Pasha, the Egyptian Prime Minister, is re-constructing his Cabinet on a broader basis to include members of the Saadist Party led by the staunchly pro-British Ahmed Maher, brother of the late Prime Minister.

As a preliminary to this move, he submitted his resignation to the King this morning. The new Cabinet is expected to include five Saadists and five Independents. The Saadists have up to now refused to join the Government because they favoured a more active participation in the war.

Tatuta Maru Precedent

SPECIAL TO THE "TELEGRAPH". WASHINGTON, July 31 (UP).—The Under Secretary of State, Mr. Sumner Welles to-day indicated that the principle established in the case of the Japanese steamer Tatuta Maru would apply to several other Japanese vessels in American waters.

He asserted that there was nothing to prevent the Japanese ships from discharging their cargoes and obtaining clearance but, once discharged, the cargoes would be subject to the general freezing order and licensing. He pointed out that the rule would apply to all goods unloaded from ships even though they were American-owned.

Nanking Urged To Abrogate Extrality

SPECIAL TO THE "TELEGRAPH". SHANGHAI, July 31 (UP).—Coincident with the establishment of the "Special Peace Preservation Corps" of 5,000 men commanded by Mr. Chen Kung-po, mayor of the Nanking regime's greater Shanghai Municipality, designed to "protect" Shanghai against alleged Chungking terrorists, the Japanese army's "Shun Pao" editorially urges Nanking to take over the foreign concessions and to abrogate extrajurisdictionality. "Unless these things are accomplished," the paper says, "China cannot be called an independent nation, and without them Japan can hardly depend on Nanking to co-operate in the building up of a New Order in East Asia."

Chinese Newsmen's London Speech

LONDON, July 31 (Reuters).—By keeping Japan bogged, said Mr. H. D. Liem, London correspondent of the "Central News Agency" of China, lecturing to the Sino Institute, China defends the Pacific for America, prevents Japan from going southward in a major war and fights the eastern end of the Axis. Thus China is in a true sense an ally of Great Britain and a pillar in the "A.B.C." and U.S.S.R. quadrilateral. The conquest of Indo-China was the prelude to a climax in the Pacific. The next move by Japan would be decisive.

Japanese Dilemma

She had been in a dilemma ever since Germany declared war on Russia without consulting Japan. It meant the bankruptcy of the Matsuo-ka policy. He had been sacrificed, and there was a new Cabinet, but this meant a re-negotiation of tactics, not of policy, which remained the same. Mr. Liem thought that Japan would not stand to gain any substantial advantages whatever the outcome of the world war while the defeat of the Axis would spell Japan's destruction. Sir Malcolm Robertson, M.P., formerly of the Diplomatic Service and served in China, presided over a large and appreciative audience.

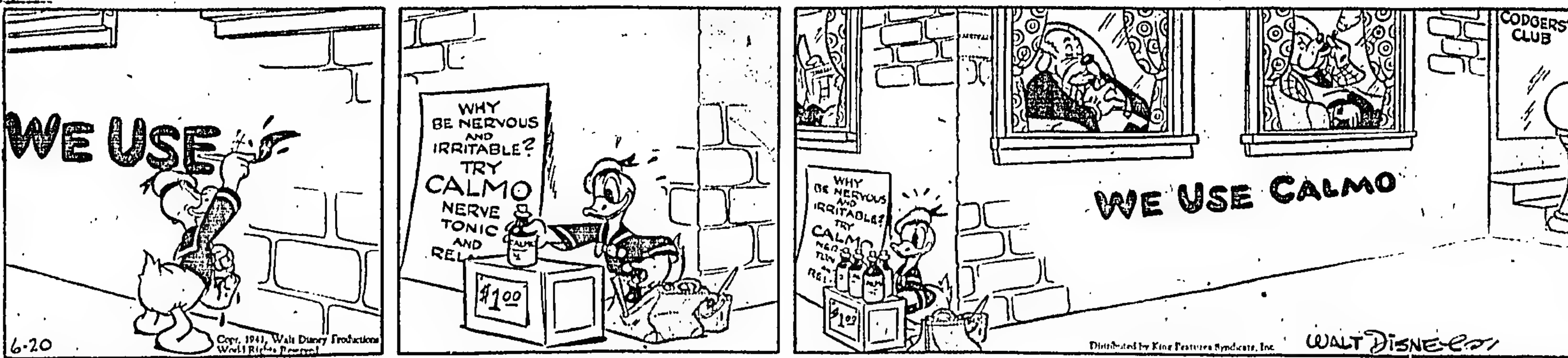
Major Baseball N.Y. Yankees Move Further Ahead

NEW YORK, July 31 (UP).—New York Yankees moved further ahead in the American Baseball League table to-day beating Detroit Tigers 6-3. In the National Circuit, N. Y. Giants were nipped 6-5 by Cincinnati Reds.

AMERICAN LEAGUE		11	12
Detroit	.....	10 1/2	Goralski
Batteries—Newson, McCain.			
Sullivan.		6	14
New York	.....	10 1/2	
Batteries—Russo, Murphy; Dickey.			
St. Louis	.....	10 1/2	Trotter
Batteries—Harris, Gaspar, Jr.			
Newlin, Swift; Ferrell.		11	14
Boston	.....	10 1/2	
Batteries—Hart, Lewand, Ryba, Potter.			
Harris, Wilson; Pytlak.		2	0
Chicago	.....	10 1/2	
Batteries—Knepper, S. Humphries, Turner.			
Dickey.		9	14
Philadelphia	.....	10 1/2	
Batteries—Knott; Hayes.			
The Cleveland-Washington game was postponed owing to			
..... Night-caps		0	4
Detroit	.....	10 1/2	
Batteries—Benton; Fenech.		5	10
New York	.....	10 1/2	
Batteries—Chandler; Isaac.			
Called at the end of the eight owing to darkness.		1	6
St. Louis	.....	10 1/2	
Batteries—Bryant; Ferrell.		4	9
Boston	.....	10 1/2	
Batteries—Hughes; Fenech.			
Called at the end of the eight owing to darkness.			
NATIONAL LEAGUE		10	15
Brooklyn	.....	10 1/2	Fitzsimmons
Batteries—Wyatt, Wicker.			
Franks; Owen.		5	8
St. Louis	.....	10 1/2	
Batteries—Gambert, Lanier.			
Nahem, Monaghan; W. Cooper.		4	12
Boston	.....	10 1/2	Ernst
Batteries—Erickson, Johnson.			
Called at the end of the eight owing to darkness.			
Pittsburgh	.....	10 1/2	
Batteries—Lanning, Deitz; V. Davis.			
Chicago	.....	10 1/2	Scheff
Batteries—Lanning; Page.		2	13
Batteries—Podgajny; Warren.			
New York	.....	10 1/2	Mett
Batteries—Lohrman, Brown.			
Detroit	10 1/2	
Cincinnati	6	12
Batteries—Turner, L. Moore.			

DONALD DUCK

By Walt Disney



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Sizing Up a Discard

DISCARDS must be judged on varying bases, depending on the skill of the player who makes the discard. A novice throws away any card that does not promise to win a trick. The expert proceeds along more logical lines. He knows that if he discards from a certain suit, he "shows up" his partner, who may have a finesseable queen or jack in that suit. Hence, when an expert seems to admit weakness in a suit, the chances are very strong that he can well afford his discard in other words, that he still has the suit stopped. Note how this affects the expert play of a deal such as the following:

Rubber bridge.
South dealer.
Both sides vulnerable.

♠ J 10 7 3
♥ A 7
♦ Q 6 4 2
♣ A 10

♠ 8 6
♥ K Q 10 9
♦ 5 3
♣ 7 3

♠ A K Q 6 4 2
♥ A K
♦ A K
♣ K J 6

The bidding:
South West North East
1 ♠ Pass 2 ♠ Pass
4 NT Pass 5 NT Pass
7 ♣ Pass Pass

*4-8 Notrump Convention.

South's hand qualified as a minimum two spade bid, but, since it was a minimum, South preferred a one-bid. After the jump raise, South located the missing two aces by using the 4-5 Notrump Convention. Even with this information, the final leap to a grand slam was a distinct stretch, but South was that sort of player.

West opened the diamond jack. Declarer won and cashed the ace and king of trumps. On the second round West discarded the deuce of

clubs, a fact carefully noted by declarer, who decided then and there that he would not rely on club weakness in West's hand.

The diamond king was cashed, then a spade was led to dummy. This time West let go a low heart and East "loudly" signalled with the heart ten. Declarer discarded a heart on the diamond queen, cashed the heart ace, then ran off the rest of his trumps. With one trump remaining, declarer also had the K-J-5 of clubs. West was reduced to the high diamond and the Q-10-8 of clubs. The diamond six, heart seven, and A-9 of clubs were kept in dummy. East's hand did not matter, except that he had the high hearts.

Now declarer led his last trump, and poor West had to surrender. He could not discard the diamond without setting up dummy's six-spot; hence he reluctantly gave up the club eight. Thereupon declarer led low to the club ace, back to his king, and cashed the jack for the fulfilling trick.

It is to be feared that many declarers would lose this contract by finessing to the K-J of clubs, particularly after West's low club discard. This declarer shunned the finesse particularly because of that discard!

To-morrow's Hand
North-South vulnerable.
Rubber bridge.
West dealer.

♠ 7 5 4
♥ 9
♦ K 8 5 3
♣ 9 8 4

♠ A Q J 10
♥ 10 7
♦ 10 7 4
♣ 6

♠ K 8
♥ Q 8 5 4 2
♦ Q 9 2
♣ J 6

♠ A K J 6 3
♥ A J
♦ A K 10 7 3 2
♣ A K 10 7 3 2

How should this hand be bid?

Crossword Puzzle

By LARS MORRIS

ACROSS

1-Lump of earth
2-Left preposition
3-Jump
4-Expectant desire
5-Increase
6-Open surface
7-Over
8-Puncturing
9-Abode
10-Size of land
11-Herit
12-Lunch
13-Notice
14-Holy Roman
15-Empire (abbr.)
16-Remarks to audience
17-Skull saw
18-Animal's mother
19-Sheep's abode
20-Stinging insects
21-Preceded with
22-Metal
23-Loud rattle
24-Emil's ruse
25-Inhabitant
26-Extremity
27-Large deer (pl.)
28-Civil War soldier
29-New York canal
30-Wild of hay (prov.)
31-Increase by
32-Things given to
33-Altar

DOWN

1-Make charcoal
2-The fond of
3-Uncious

4-Mocked
5-Difficult challenge
6-Disps. available
7-Magical
8-Fruitful
9-Seed covering
10-Unsprayed
11-Falls behind
12-Various directions
13-Interstate flag
14-Unit of radiation
15-Lane's name
16-Energy
17-Mineral spring
18-Vermin
19-Those elected
20-Last's nickname
21-Islands
22-Leaving sailors
23-Get up
24-Estimating
25-Make beer
26-Quint's name
27-Request
28-Airplane
29-Journey
30-Blare
31-Note of Guido's scale

1 2 3 4 5 6 7 8 9 10 11

12 13 14 15 16 17 18 19 20 21 22

23 24 25 26 27 28 29 30 31 32 33

34 35 36 37 38 39 40 41 42 43 44

45 46 47 48 49 50 51 52 53 54 55

Count the
"TELEGRAPHS"
everywhere

Philip Jordan gets some first-hand news from Occupied France

I HAVE JUST HAD FIRST-HAND INFORMATION (in a way which I much regret I cannot divulge) of life in Occupied France.

This information has a special interest and importance, because it comes from a little provincial town and not from Paris.

News from Paris is fairly frequent in Britain, and tells only of what is happening in the capital, which, like all capitals, more or less represents nothing but itself. As the heart and soul and backbone of Britain are to be found in the provinces, so are the same anatomical and spiritual pieces of France to be found in the French provinces.

MOST INTERESTING TO ME of all I heard is the complete ignorance of Parisian events in which the inhabitants of this little town are kept by their temporary over-lords.

They had never, for instance, heard of the last November 11 anti-German demonstrations in Paris, when German machine-guns opened fire from the top of the Arc de Triomphe on an unarmed crowd in the streets below.

They know little or nothing about what is happening in any district of France other than their own. I imagine that goes for the whole of occupied France. On the other hand they know a lot about what is happening in Britain, Africa and the United States.

And for this reason, French newspapers, which merely print what the Germans either tell or permit them to print, are almost entirely boycotted. Their sale is derisory.

But the B.B.C. broadcasts in French are a howling success. Although it is forbidden to listen to them, the midday and the evening broadcasts have a tremendous audience, and what is said in those broadcasts is passed on with all the mystery and rapidity of a bush telegraph.

IN THE LITTLE PROVINCIAL TOWN from which my news comes, General de Gaulle's request that all French men and women should mark their belief in his cause by staying indoors on New Year's Day, was obeyed by practically the entire community. "Perhaps one saw half a dozen imbeciles on the streets that day," I was told.

The local sport seems to be cutting German telephone wires, the individual penalty for which, if caught, is death; the collective penalty an enormous fine. This particular small town has fines which

people come out into the streets and wave to them. They do it in front of the German soldiers.

Germans, having no sense of humour, simply don't understand how on earth anyone can welcome a bomber which, at any moment, might lay an egg on you.

The French have a witty genius for irritating people. The Germans have been pretty well driven out of the local restaurants. In this way. Whenever they came in they used to unbuckle their dagger-adorned belts and hang them on the wall. So the French used to come in with belts adorned with bicycle pumps, and hang them up alongside those of the Nazis. Result: loud laughter which panzer-divided the Germans out of the restaurant.

Such conduct baffles, and, to some degree, dispirits them. The old racial inferiority-complex is set working overtime. They are puzzled.

AND about invasion of Britain. It seems that only the youngest and most fanatical of Hitler's soldiers view an attempted invasion with anything but dismay.

Interest in French New World Empire

WASHINGTON, July 31 (UP).—Uncertainty over the status of the French colonial empire as a result of the Vichy-Berlin collaboration agreement has attracted new attention to possessions in the Western Hemisphere.

The largest of these new world possessions, and the only one on the American continent proper, is French Guiana, a colony covering 34,740 square miles. More than one-third of the colony borders on Brazil.

French Guiana is the best known because of the famous penal settlement at Devil's Island. Actually, Devil's Island constitutes only a minute fraction of the colony's relatively vast expanse. It is situated along the coastal fringe. This fringe constitutes one of the natural parallel belts which roughly divide French Guiana into geographical zones beginning at the ocean front and extending back into the interior.

Unexplored Plateau

Beyond the coastal fringe, according to a report of the American Geographical Society, is a marshy area 15 to 25 miles wide.

The next zone is a low hilly area, and beyond this is the largely unexplored and sparsely settled low plateau extending about 125 miles. At the edge of this zone is a range of hills approximately 1,200 feet high and along the Brazilian boundary lies the 2,500 foot Tumuc Humac range of mountains.

The climate is hot, humid and monotonous. There are two rainy seasons from May through June and November through January. February and March are dry.

French Guiana has long been considered a blot on South America, the Geographical Society said. "All three Guianas have been among the most difficult regions of the continent to colonize, but of the three, the French colony has shown the least progress. It is also the least suitable for habitation as well as the least known."

Development Retarded
"The difficulties result from an unfortunate combination

of physical, political and social conditions. The great amount of low, swampy land, the continually high temperatures, the heavy rainfall, the dense vegetation and tropical pests have all retarded development.

"Since, however, the three Guianas (French, British and Dutch) have similar physical conditions, the differences in social and economic status must be largely due to factors of colonial and governmental policy."

French Guiana might become an entirely different type of colony, the Society's report said, if money were available for the development of modern sanitation systems and adequate communication facilities. The colony is not without valuable natural resources, the report points out.

Natural Resources

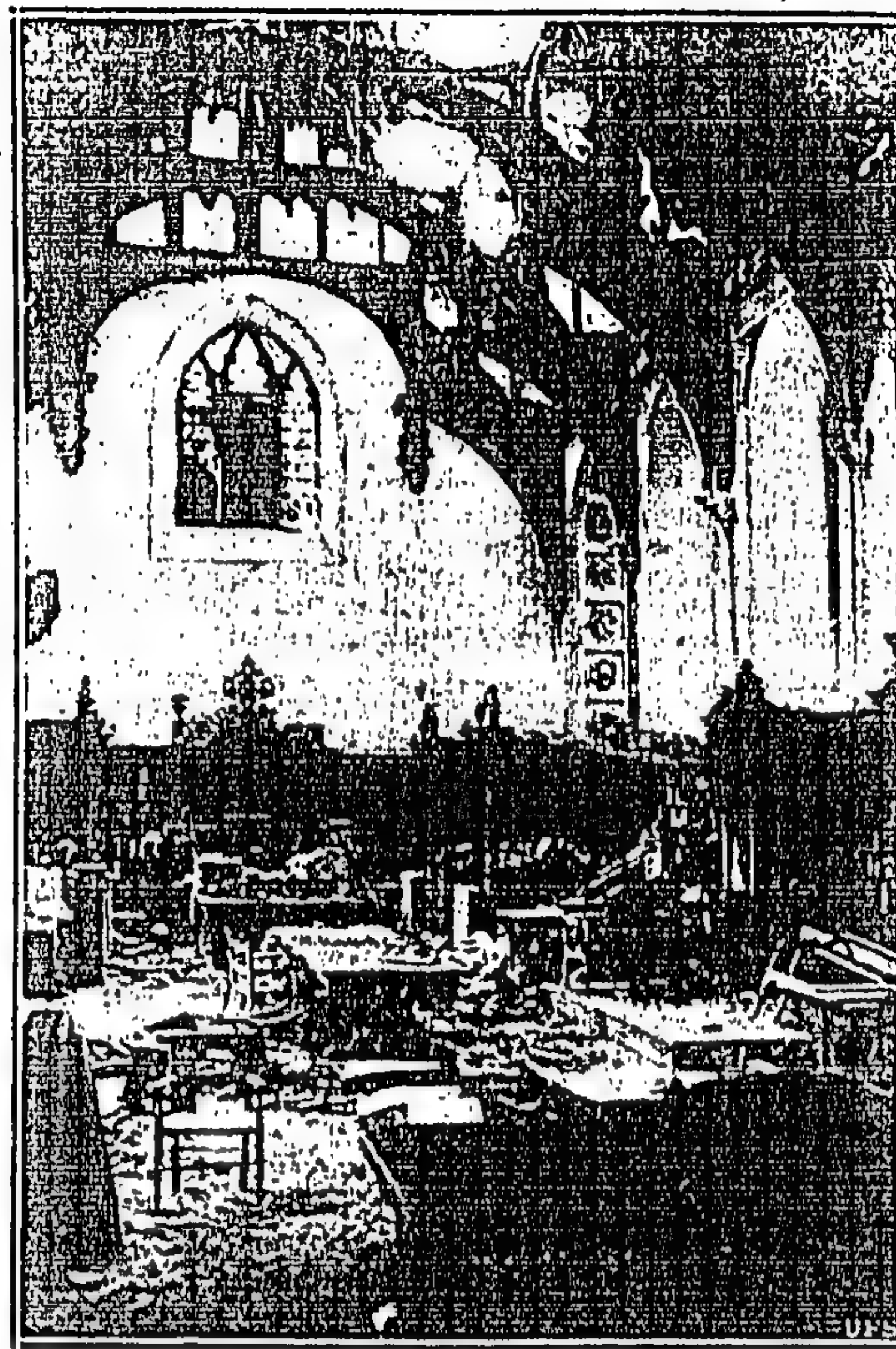
Among these are gold, forest products, coffee, cacao, and sugar. In addition, the colony has great grassy areas which are well suited for cattle raising.

Despite these assets, however, agriculture is poorly developed and the colony is required to import many commodities, among them some which could be produced locally, from neighbouring countries.

The colony has only four accessible ports: Cayenne, the capital; St. Laurent du Maroni; St. Georges du Oyapock and Regina. None can handle large vessels.

Land communication with neighbouring Brazil and Dutch Guiana (Surinam) is practically non-existent. There are no railroads. Virtually all communications with interior points are by river. In recent years, French Guiana has been linked to the other Americas by plane. Pan-American Airways makes one stop weekly at Cayenne with mail and passengers.

The early history of the colony was marked by strife with the Indians, French, Dutch, British and Portuguese. The colony changed hands several times until 1814, when the French established their sovereignty.



LANDMARK DAMAGED—Lambeth Palace, London, ancient home of Archbishops of Canterbury, met this fate when Hitler-men flow over British capital in recent raid. This shows chapel of palace, where bombs fell heaviest.

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Prokofiev Concerto No. 3 In C Major

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12.15 p.m. A Short Service of Intercession.

12.30 Victor Silvester and His Ballroom Orchestra.

1.00 Local Time Signal and Programme Summary.

1.02 Prokofiev—Concerto No. 3 in C Major, Op. 26.

Serge Prokofiev (Piano) and the London Symphony Orchestra cond. by P. Coppola.

1.30 Reuter and Rugby Press and Announcements.

1.45 The Orchestral Mascotte and Charles Trenet (Vocal).

2.15 Close Down.

6.00 Indian Programme.

6.45 Closing Local Stock Quotations.

The Philadelphia Symphony Orchestra cond. by Leopold Stokowski; "Madam Butterfly"—One Fine Day (Puccini); Rosetta Pampanini (Soprano) with Orchestra; Melody in F (Rubinstein); William Murdoch (Piano); Minuet (Bach); Fritz Kreisler (Violin) with String Quartet; Liebestraum (Liszt); Arthur Rubinstein (Piano); The Earl King (Gothic-Schubert); Alexander Kipnis (Bass) with Gerald Moore (Piano); Second Movement: Adagio cantabile: From "Sonata Pathétique" in C Minor (Beethoven); Karol Szymanowski (Piano).

* 9.45-10.00 News in French (on Short Wave only).

10.00 London—The News and News Commentary.

10.15 Selections from Light Opera. The Chocolate Soldier; "Monsieur Beaucaire"; The Yocmen Of The Guard.

10.35 Dinah Shore in a "Swing" Programme.

11.00 London—"Makers of History."

11.15 Close Down.

STOCK MARKET REPORT

Hongkong Stock Exchange Official Summary, issued yesterday, is:

Buyers

H.K. Govt. 4% Loan 97.50
H.K. Govt. 3 1/2% Loan (1934) 94.50
H.K. Govt. 3 1/2% Loan (1940) 94.50
Canton Ins. \$225
H.K. Fire Ins. \$165
Providents \$5.70
Lands \$33.75
Chinese Estates \$101
Lights "O" \$5.70
Electricity "O" Rts \$10.00

Sellers

Electricity "O" X. Rts \$22.25
Electricity Rts \$11.10
Macno Electricity \$18.60

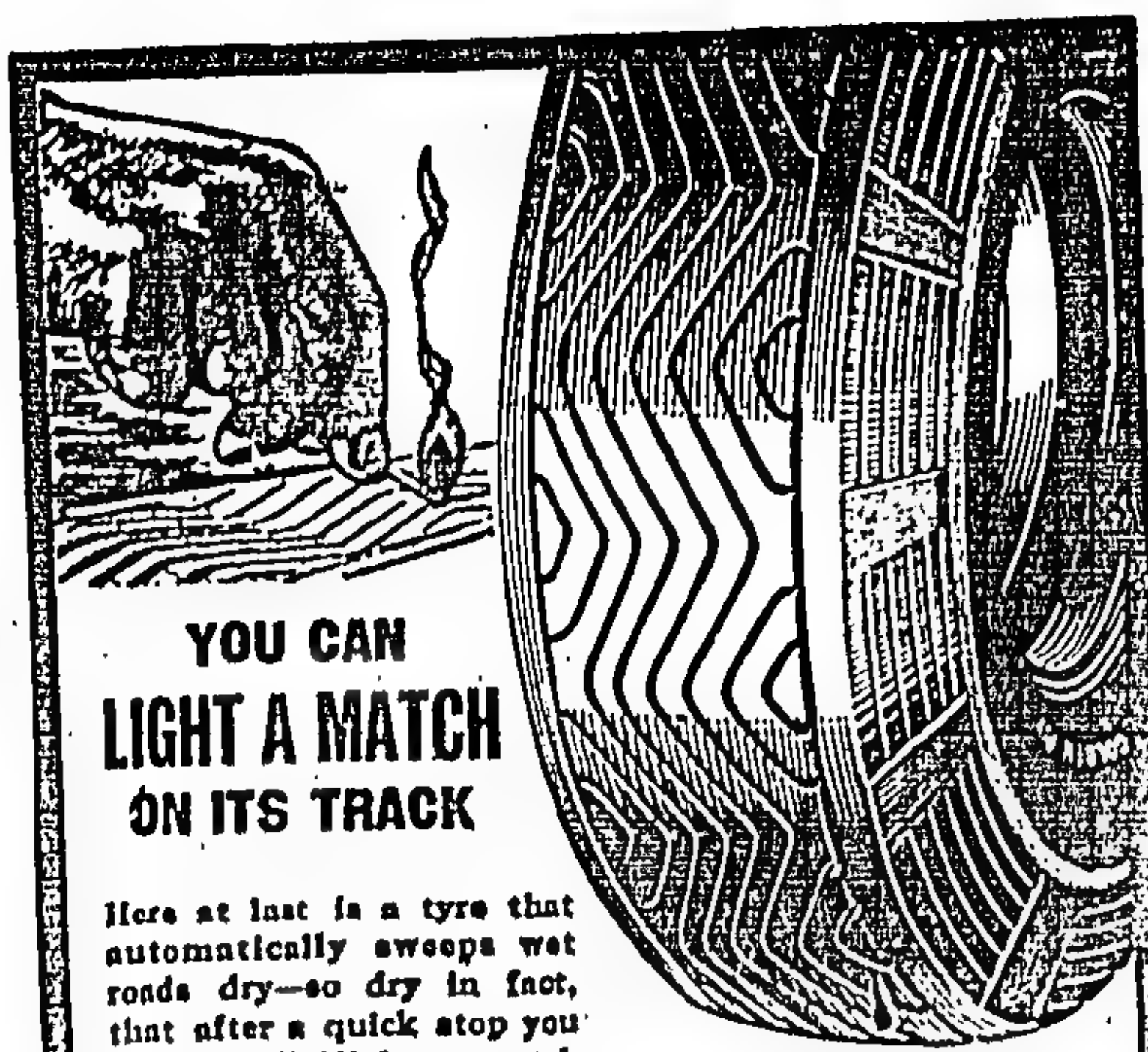
Sales

H.K. Govt. 3 1/2% Loan (1934) 95
Wharves \$91
Macno Electricity \$18.49

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ACKNOWLEDGMENT

The Family of the late Mrs. Guilhermina Leong Hing-lee express their deep gratitude to all friends and relatives for their expression of sympathy, floral tributes and attendance at the funeral. A High Requiem Mass will be celebrated at the Roman Catholic Cathedral, Causeway Road, on Saturday, 2nd August, 1941, at 7.30 a.m. All relatives and friends are cordially invited.

The
Hongkong Telegraph.

Friday, Aug. 1, 1941.

Wyndham St., Hongkong
Telephone: 26015

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WAR'S BIG LESSON

The latest figures issued by the Ministry of Labour show that the unemployment problem in England no longer exists. Although recent Ministry records indicate there were 310,000 unemployed in the middle of July, at least one-third of the male workless were unsuitable for ordinary industrial work and the rest were moving from one job to another on the day of the count. Of the women unemployed, one-third were not suitable for ordinary work, and many more had been registered for less than four weeks. It is probable the next figures will show an even greater reduction, and that there will be no idle workers except those who, for one reason or another, are not capable of being fitted into industry.

This result has been achieved by the concentration of the nation's productive power on the task of winning the war. The same result was achieved in the war of 1914-18. After that war the unemployment problem again became part of the "normal" life of the country, because no steps had been taken to prevent it. That must not happen again after this conflict. As the memorandum of "The Peace", submitted to the annual conference of the Labour Party expressed it: "Mass unemployment is intolerable in war; we must make it intolerable in peace. Distressed areas are incompatible with a full war effort; the organisation which removes them for the purpose of war must remove them for the purpose of peace. Finance is the servant, and not the master, of political policy in war time; it must continue in that relation when peace comes. In war our great material resources are not private empires to be administered for victory; they must be similarly administered as we turn from war to peace."

Not only Labour, but practically all sections of the community—political, financial and social—in Britain have come to express these sentiments. The generally accepted formula for post-war Britain is that man-

CHINA'S MAJOR PROBLEM:

FOOD

Feeding its people is China's most pressing economic problem. On the solution to this problem future political developments may well hinge. Already economic maladjustment has produced far-reaching social and political consequences. In the opinion of many observers, it was one of the prime factors which conditioned the Central Government's decision to launch an attack on the Chinese Communists. Many see in it one of the major causes of the recent upsurge of political repression in China, pointing out that scarcity usually brings policemen.

The food problem began to grow serious about a year ago. Up till that time the price of rice had been fairly stable, at least in comparison with the prices of manufactured goods which had been soaring ever since the fall of Canton and Hankow. Before the war a picul (133.33 lbs.) of rice in Chungking cost about \$9.50. In the winter of 1939-40 it cost \$17; in the summer, \$30. Late in the summer and throughout the fall it rose as rapidly and dramatically as stockings Yuan Chuan-yu, a former mayor of Chengtu. A cember one saw rice queues in the streets of Chungking. Lines of people holding baskets and bags standing patiently along the curbsides, Gendarmes kept them in line.

Rice Prices

Current reports received from China show that the stabilisation felt early in 1941 has not continued. In Szechwan the price is reported to have reached \$250 a picul, although in other districts the price remains considerably less. Between March and May the price at Kweilin, Capital of Kwangtung, rose from \$30 per picul to \$96. In Kwangtung, a market if not in the vanguard of the mountainous regions, profiteering was rampant, but in the same province it has gone as high as \$200.

Shortage Crux?

Government officials steadfastly maintained that rice was plentiful. They attributed the price rise to the high cost of transport, maldistribution, profiteering and "psychological factors." But some of the measures

kind must be rid of the fear of war, and that there must be a determination to abolish the "equal claim upon the common stock of welfare." Neither need the cynics boast of scoring a debating point by arguing that the same ideals were bandied about during the last war, and came to naught. Not only Britain, but the entire world is to-day learning from bitter and unforgettable experience the necessity for a complete readjustment of social, economic and political foundations; this war, in fact, will make them inevitable.

which the Government being issued every five months.

Rice, however, led the general price level last fall. The reason seems to have been the insufficiency of the 1940 crop, particularly in Szechwan. According to the statistic of the Provincial Government, the crop of hulled rice in Szechwan, Kuomintang China's "key economic area," was 45,000,000 piculs, about half of the requirements. Thus the landlord class has an excellent opportunity to estimate was more general and profiteer; and if no actual scarcity exists, to create one on the market. The problem is politically complicated by the fact that the landlords are powerfully represented in the Kuomintang, China's ruling party.

He proposed:

1. Adjustment of supply with demand.
2. Promotion of consumption of cereal other than rice.
3. Reduction of the brewing of rice wine.
4. Increase in food production.
5. Construction of irrigation works.

In November and December the Government made presents only about half of the serious attempts to halt the China's food supply. In part

By **HUGH DEANE**

who has observed conditions in war-torn China for a year and a half as correspondent of the "Christian Science Monitor"

Chiang Kai-shek himself made a powerful speech attacking in the winter the "rapacious gentry" who were hoarding the rice. In a general tightening of the belt.

Localism Complication

The food problem in China is complicated by the localism of the economy, which makes distribution difficult, and by the concentration of rice stocks in a steadily shrunk, especially transport (gasoline now costs about 23 Mexican dollars a gallon), together with the general lack of roads.

Yat-sen and President of the Legislative Yuan, even advocated that the distribution of rice be undertaken by the State. ported to have reached \$250 a picul, although in other districts the price remains considerably less. Between March and May the price at Kweilin, Capital of Kwangtung, rose from \$30 per picul to \$96. In Kwangtung, a market if not in the vanguard of the mountainous regions, profiteering was rampant, but in the same province it has gone as high as \$200.

Profiteering Not Cause

Actually the basis of last year's dramatic price rise appears to have been a combination of inflation and scarcity, a scarcity on the market if not in the vanguard of the mountainous regions, profiteering was rampant, but in the same province it has gone as high as \$200.

The extent of inflation approximates the increase in the general price level. The note issue was about six billion at the end of 1940. To this must be added the provincial notes in circulation, Japanese notes and foreign currency in Chinese areas, Government bonds, bank loans and other forms of credit, all of which are part of inflation. The velocity of circulation is also a factor. It is estimated that the total note and credit circulation was about ten billion by 1941, compared with 1.9 in June, 1937. According to the manager of one of the four Government banks, a billion dollars' worth of notes is

ting it on the market. According to a sample survey made recently by the University of Nanking, 80 per cent. of agricultural producers are tenants or part tenants. Tenants pay most of their crop—over 80 per cent. in the Chengtu Plain, 60 per cent. as an average—as rent, and part of the rest as interest on loans (the survey found that the interest for three months was 26 per cent.). Consequently they have little or no rice to sell; in fact they are usually buyers themselves.

It is estimated that only 000 piculs, about half of the requirements. Thus the landlord class has an excellent opportunity to estimate was more general and profiteer; and if no actual scarcity exists, to create one on the market. The problem is politically complicated by the fact that the landlords are powerfully represented in the Kuomintang, China's ruling party.

Season's Prospects

While the crop prospects for this summer are reported to be fairly good, the food problem in the long run seems likely to grow increasingly serious. Torn by four years of war, beset with floods and drought, forced to feed armies numbering millions, crippled and constrained by a primitive semi-feudal agrarian economic structure, China's tired rice fields are with growing difficulty providing food for Chinese stomachs. China's food problem is part of that of the whole of Asia. Asiatic food production has been steadily shrunk, especially since the Sino-Japanese war, a factor which will intensify the strains, now rending the continent.

Indo-China, Siam and Burma have a normal annual surplus of 200 million piculs of rice, whereas Japan's deficit alone is now 180 million. Japan may be forced to drain an increasing amount of rice from Central China, further dislocating Chinese agricultural economy. In the valleys of Central China the Japanese and Chinese are battling for rice fields as brings the problem of get-well as for cities.

GRIN AND BEAR IT By Lichty



"While you're fixing the displays, pile that golf stuff around the Prescription Counter—this time of year doctors usually prescribe a lot of golf!"

Economic Defence Policies

New Board For U. S.

WASHINGTON, July 31 (Reuter).—President Roosevelt has created a Board to guide the general activities of Federal agencies in economic defence with Vice-President Mr. Henry Wallace as its head.

Other members are the Secretaries of State, Treasury, War, Navy, Agriculture, Commerce and the Attorney-General.

The duties of the Board will include advising the President on economic defence measures to be taken or functions to be performed which are essential for the effective defence of the nation.

The Board will also advise the President on steps to be taken to protect the trade position of the United States and the establishment of sound peace-time international relationships.

Rationing Of Petrol In U.S.A.

WASHINGTON, July 31 (Reuter).—Moving towards compulsory restriction of the use of petrol, Mr. Ickes, Secretary for the Interior, called on oil industries to close 100,000 petrol service stations in Eastern States between 7 p.m. and 7 a.m. on seven days a week, beginning August 3.

The closing would affect all petrol stations on the Atlantic seaboard from Maine to Florida.

Declaring that "the voluntary rationing hitherto had not achieved the reduction which must be accomplished if we are to avoid more serious rationing later," Mr. Ickes referred to the possibility of more serious rationing, including the issue of rationing cards.

Besides the twelve Atlantic States, Mr. Ickes' recommendation applies to the District of Columbia and parts of five other States.

Asked whether stations refusing to comply with the recommendation would be prosecuted, Mr. Ickes said "I don't believe we have the power to prosecute."

Moslem Centre In London

Distinguished Persons

LONDON, July 31 (Reuter).—Many distinguished Moslems are attending an important ceremony on Friday when the new East London Mosque and Cultural Centre is being opened. The programme includes a welcoming speech by Sir Hassan Sahraward, Mohamedan adviser to the India Office, a report by Sir Ernest Hosken, Honorary Secretary to the Mosque Fund Trust, a reply by the Egyptian Ambassador, a vote of thanks by Said Emir Shah of the East-End Moslem Association, and prayers which will be led by Mr. Saudi, the Arabian Minister.

A reception will follow in the Club attached to the Mosque.

The Mosque and Cultural centre consists of three houses in the Stepney district of London which have been converted to this special purpose of providing a centre for Moslems in London, including many Moslem seamen who regularly come to London's dockland.

It is intended to fill this need until after the war when a larger Moslem centre is being built in London under the auspices of the British Government.

May Resign Because Of New Pact

LONDON, July 31 (UP).—It is rumoured that the Polish President, M. Vladislav Rakiewicz, may resign owing to his dissatisfaction over the Polish-Soviet pact. There is no confirmation to the reports that three other members of the Polish Government have resigned.



DESERT MEN—Members of British Imperial Army who make up patrol squad, to range far into Sahara and Libyan deserts to mop up small groups of enemy Axis. Such patrols consist of officers and men experienced in desert warfare, heavily armed.

A.R.P. Director Going To India This Month

Wing-Commander A. H. S. Steele-Perkins, Director of A.R.P., revealed this morning that he had accepted a new position in India and would be leaving for Delhi towards the end of August.

He declared that work on the air raid tunnels was proceeding apace and that new and additional entrances were being constructed.

Referring to the Arsenal Street tunnel, the Director said that it was being fitted out with electric and lamp lighting, first aid posts, stores and battle gates, the latter being used for the purpose of preventing people coming in from opposite directions, clashing and causing confusion. He hoped that this and other tunnels would be ready for public inspection in the near future.

NAZIS IN IRAN

Unlawful Activities Not Tolerated

TEHERAN, July 31 (Reuter).—Following reports that Nazi agents are active in Iran, the Government to-day gave an assurance that it had taken the necessary steps to maintain peace and order.

An authoritative statement condemned nationalist rumours and says that the authors appear to be ignorant of conditions in Iran where law is strictly enforced or all persons without distinction.

Moreover, since the world crisis, the Government is determined to safeguard the nation's neutrality and has redoubled its vigilance.

Foreigners Known
The statement continues: "Nobody can disobey the regulations. The acts of business, conduct and way of life of all foreigners are known to the Government, thus making it impossible for them to overstep lawful boundaries and indulge in forbidden activities. We know their number and their names. It is in fact possible to say that the figures that have appeared in this connection are greatly exaggerated."

Offer To Train S. American Pilots

WASHINGTON, July 31 (UP).—Informal circles state that the Administration will soon offer to train hundreds of South American pilots in the United States as part of the United States campaign to end the Axis control of commercial aviation in these countries.

The immediate purpose of the project is to provide a large well-trained corps of pilots to operate the new air lines which are to be organized after the expulsion of the Axis lines since a shortage of South American pilots would necessitate the hiring of American pilots to operate the new lines.

MENZIES STIMULATES AUSSIES

OUTSPOKEN VIEWS

MELBOURNE, July 31 (Reuter).—"The war task is not ending; it is only beginning," declared Prime Minister Mr. R. G. Menzies to-day.

This year, he said, would decide whether we lose or win.

"I am delighted at the Russians' efforts, but it is our war. We must win it," he added.

He condemned political intrigue, industrial irresponsibility and sectional selfishness and also attacked the disgruntled ambitions of critics and appealed to the people to demonstrate clearly that Australia does not stand for a sheer travesty of war such as shown by 50,000 workers who conducted a one-day strike because two Communist wreckers and self-confessed saboteurs of Australia's war effort were interned.

Mr. Menzies declared: "Our soldiers on the battle-fronts get almost paupers' wages. I wonder how they feel about Australian workers who strike for higher wages."

NAZIES IN S. AMERICA ALARMED

Funds To Switzerland

LONDON, July 31 (Reuter).—Nazi leaders, alarmed at recent anti-Nazi expulsions in South America, including the expulsion of the German Minister to Bolivia, have been transferring their funds to Switzerland, according to well-informed sources, says the Independent French Agency.

According to this source, a large number of high Nazi Party members, including Dr. Robert Ley, the Nazi Labour Front leader and a director of the "Volksischer Beobachter," have withdrawn their funds from South American banks during the past few days and have put them in Swiss banks.

Sweden Not Safe
One bank in Zurich is stated already to have received deposits to German accounts amounting to many millions of Swiss francs and the total is still increasing.

It is added that Swiss circles believe that Switzerland was chosen in preference to other neutral countries because the German leaders think that Sweden may be threatened by Russia should the Red Army prove victorious in the present campaign.

Intercepting French Ships

Royal Navy On The Watch

LONDON, July 31 (UP).—Mr. Hugh Dalton, Minister of Economic Warfare, revealed in the House of Commons to-day that the Royal Navy is intercepting ships to and from Marseilles which are trading between metropolitan France and the Colonies.

The bulk of the cargoes which are landed at Marseilles are seized by the Germans and Italians while the outbound ships carry enemy exports," he declared, adding that the Dutch Navy is assisting the British.

WAVELL IN HIS NEW SPHERE

SIMLA, July 31 (Reuter).—General Sir Archibald Wavell, Commander-in-Chief in India, presided to-day at the first meeting of the Joint Committee of the Central Legislature set up in pursuance of the undertaking given by General Sir Claude Auchinleck, his predecessor, in the Upper House recently.

In the opening speech, General Wavell reviewed the general war situation, emphasizing the magnificent part played by Indians in the various theatres of war.

Silk Shortage In Philadelphia

PHILADELPHIA, July 31 (UP).—The first firm in the Philadelphia area to be affected by a shortage of Japanese silk is the Gotham Silk Hosiery Company which announced the closure of its Courtland mill, throwing 400 persons out of work.

The announcement said that the mill would remain closed until new supplies of silk or rayon could be obtained. Union leaders said that the shut-down was "only the first" of an anticipated series.

U.S. - Czech Relations Announced

LONDON, July 31 (Reuter).

—The Czechoslovak Government announced that the United States has agreed to recognise the Czechoslovak Government in London and to appoint diplomatic contact with it.

The announcement follows negotiations between the two countries on Czechoslovakian diplomatic status.

Henceforth Dr. Eduard Benes will enjoy the same status as the heads of other states and Czechoslovakia will have the same status as other exiled governments.

It is pointed out that the United States has never withdrawn de jure recognition of the Czechoslovak Republic and the German occupation of the country did not affect the full diplomatic status which Colonel Hurban enjoys in Washington.

GALLUP POLL ON WAR ISSUES

NEW YORK, July 31 (Reuter).—"Some people say now that Germany is fighting Russia as well as Britain it is not so necessary for this country to help Britain; do you agree or disagree?"

This question was put in a Gallup poll and elicited the following replies: Agree, 20 per cent, disagree, 72 per cent, no opinion 8 per cent.

The second question ran: "Since Germany will probably defeat Russia and then turn full strength against Britain, it is more important than ever we help Britain; do you agree or disagree?"

Replies were: Agree 71 per cent, Disagree 19 per cent, no opinion 10 per cent.

BAN ON COTTON FROM SHANGHAI IS LIFTED

CHUNGKING, July 31 (Central News).—According to a Shanghai dispatch, the Japanese Deputy Commissioner of the Shanghai Customs yesterday suddenly announced the lifting of the ban on the export of cotton goods, cereals, and fertilizers.

The reason for the move, especially in regard to cotton goods, the dispatch states, is that of the 60 cotton mills in Shanghai nearly 40 are owned and operated by Japanese merchants.

The ban on the following categories of goods is still effective: machines, chemical products, mineral products, metals, leather products, drugs, dyes, cotton, rubber goods, ramie, wool.

MADE IN INDIA Arms Of All Kinds

SIMLA, July 31 (Reuter).—India is now the arsenal of the British countries east of Suez. She is now manufacturing the largest proportion of her own defence requirements as well as the eastern group's.

The goods she makes cover a wide range: ships, buttons, bolts, bridges, goggles and guns. She is now producing about 400 new articles including thirty new types of textile fabrics, some of which are "union canvas" which substitute for jute fabrics in engineering stores, and is also manufacturing armoured bodies for vehicles, anti-submarine and anti-aircraft sea-going vessels, new types and calibres of modern artillery and ammunition, and degaussing cables.

Consumption Of Petrol In N.Z.

WELLINGTON, July 31 (Reuter).—The Minister of Supply, Mr. Sullivan, has announced a 25 per cent cut on the present private petrol ration which is eight gallons a month for large cars and four to six gallons for small cars.

The reduction operates from August 1.

All licences are being reviewed with a view to a further considerable reduction of consumption.

India Feels Drain

SIMLA, July 31 (Reuter).—Petrol may be rationed in India from August 15, according to an order issued by the Government of India. It is emphasised that in drawing up the order the Government had paid special attention to the objectives of ensuring the maintenance of essential services and a fair distribution to private consumers.

The Government hopes that private motorists will co-operate among other things by using cars only for absolutely emergent and essential purposes.

It has hitherto been possible by careful planning on the part of shipping authorities and oil companies to maintain stocks of petrol at a level adequate to meet requirements, but the Government feel the necessity to envisage a possible deterioration in the tanker position and have decided to take the present steps for the purpose of building up stocks to a still higher level.

Wider Powers For Mr Roosevelt

WASHINGTON, July 31 (Reuter).—Wider powers for President Roosevelt were agreed to by the House of Representatives Military Committee to-day.

Adding two amendments to the previous version approved by the Senate, the Committee by 14 votes to four approved legislation authorising the President to seize military and naval equipment.

The President is also authorised to requisition supplies and munitions or materials for the making of such supplies and munitions.



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CAFE WISEMAN YING KING RESTAURANT
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And All Day at the STAR FERRY WHARF

ORGANIZED BY THE CHINA DEFENCE LEAGUE

HONGKONG SOCIETY FOR THE PROTECTION OF CHILDREN

THE SOCIETY ASKS FOR \$33,000

In 1941 to meet the increasing needs of sick and destitute children in Hongkong, against which the income to date is \$10,000 only.

In order to continue its work, The Society appeals for the balance of \$23,000

before the close of the financial year on 31st October.

The number of children assisted last year was 5,100.

Hon. Treasurers (from whom a copy of the annual report for 1940 may be obtained):

Mr. A. McLELLAN, C.A., c/o Mackinnon Mackenzie & Co., P. & O. Building.

Mr. KWOK KONG, c/o The Bank of India-China, 3rd July, 1931.



Chinese Sappers In Ceremonial Parade

A brilliant turn-out aptly describes the ceremonial parade held this morning on Murray Parade ground by the 22nd Fortress Company and the 40th Fortress Company (Chinese personnel), to commemorate the fiftieth anniversary of the enlistment of the first Chinese Sapper into the Corps of Royal Engineers.

evoked the admiration of the spectators.

The Ceremony
His Excellency Sir Geoffrey Northcote, Governor of Hongkong, took the salute on the dais, while others present were His Excellency Major-General C. E. Maltby, General Officer Commanding the British Troops in China, the Hon. Mr. N. L. Smith, Colonial Secretary, the Hon. Mr. R. A. C. North, Secretary for Chinese Affairs, Brigadier Peffer, in charge of Administration, China Command, and Col. E. H. M. Clifford, R.E., Chief Engineer.

All senior officers commanding the various units in the Garrison were present in addition to Brig. J. T. W. Reeve, Brig. T. McLeod, Commodore (Captain) A. C. Collinson, R.N., the Hon. Mr. J. P. Pennefather-Evans, Commissioner of Police, the Hon. Mr. M. K. Lo, the Hon. Mr. Li Tse-fong, the Hon. Mr. W. N. Thomas Tam and Col. H. B. Rose, Commandant of the Hongkong Volunteer Defence Corps.

This was followed by the March Past in Column of Route and the Chinese personnel and their British officers certainly gave the impression of being a 'credit to the British Army. As soon as the two companies had regained their original positions they advanced in Review Order and the Royal Salute was again given, His Excellency the Governor taking the salute from the dais.

Seven Chinese Sergeants and two British Sergeants then "ground arms" and were marched out to the front of the parade where they were presented to the Governor. His Excellency was given another Royal Salute before he stepped into his car to be driven away.

The Parade then marched past the saluting base a final time, His Excellency Major General C. E. Maltby, the G.O.C., taking the salute. Further celebrations in connection with the Golden Jubilee will be a swimming pool and a dinner this evening at which His Excellency Sir Geoffrey Northcote will make a speech.

The Chinese Volunteer Club will be holding a dinner at the Golden City Restaurant to-morrow evening.



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Items Of Interest To Swimmers

Origin Of Swimming Naturally Lost From Record

Earliest Of Men Must Have Taken "Dips"

Week-end Gala At N. Point

(By "Tinker")

A CONTEMPORARY scribe the other day wrote that there was no apparent origin to swimming, and as with many other of the natural abilities of the human being it is impossible to imagine that there would be any specific beginning.

Primeval man must have encountered water. He may not have had much use for it except for drinking and fishing. There must have been other occasions, however, when he used it to wash his wounds, and the strange things it did to his body may have surprised him.

Having recovered from the shock of finding another colour to his torso underneath his coating of dirt, he may have been sufficiently interested in the phenomenon to bravely face total immersion.

Deaths by drowning there must have been and fear of water in large quantities must have been inherent for the seas and lakes in those days contained fish and amphibians the size of houses. But even here, the first man to swim, lived in a slightly later era—when they had shrunk a bit.

He must have felt the buoyance of the liquid medium and on one great occasion when he tumbled in he discovered that by moving his arms and feet like a dog he could not only remain afloat but was able to move around.

It is very possible, too, that one of these early fishermen dancing with anger over the one that got away, may have slipped and fallen into his pool and by similar manipulation of arms and legs have got back to safety.

By incidents similar to these it must have been discovered in long gone ages that man could maintain himself in water. For water, after all, is the home of the first forms of life. The amoeba and paramecium and other unicellular bodies—the lowest forms of life—are to be found in water.

Many days have passed since the 23 minutes dog-stroke record for a 50-yard pool to the present time of 23 seconds, but the improvements have been mainly over the last hundred odd years, only.

Breast-stroke and side-stroke were the two principal styles in Britain before 1873, during which year J. Trudgen introduced a new stroke which he had learned in South America.

This was called the Trudgen, commonly known as the Trudgen, and from it arose the crawl. This latter was copied from the natives of the South Seas—was introduced into Australia as late as 1900 and reached Britain in 1902. One cannot say how long it had been in use by the South Sea Islanders.

Of local swimming news—there is little or none. The Lai Tsun University gala has been postponed until August 30, but the V.R.C. Lai Tsun return gala will be as arranged.

In this latter meet, however, one event has changed. Instead of holding the 100 yards breast-stroke, the distance has been lengthened to 220 yards.

THE death of sprinters in the V.R.C. was made most apparent at the trials held in their pool on Tuesday night for the selection of the combined V.R.C.-Y.M.C.A. team against the Combined Chinese Clubs. All four who clocked first and second were from the "Y's".

And latest news is that D. H. Taylor is giving up competitive swimming.

A pleasant surprise was the form of Tony Lopez over the 50 yards back-stroke. He beat A. K. Rum-jahn, and it is always an encouraging occasion when one of the young swimmers sprouts into the fore. His time of 32.4 seconds was excellent.

ATTRACTION this week-end will be the triangular gala at North Point to-morrow, between the Chinese Bathing Club, South China A.A. and the University Swimming Club. This is in aid of the Chinese Medical Relief Fund.

South China was one of the Chinese Clubs that was hard hit by migrations to Sing Tao, but they yet have a number of promising swimmers, especially among the women. The programme contains two invitation races—100 metres free-style for men and 200 metres breast-stroke for women. It would be fine if some of the sprinters from Lai Tsun, the V.R.C. and Sing Tao turned out for the first named event, while in the second if Miss Li Po-lun takes part there is no doubt as to the winner.

Miss Ho Wal-king, the young O.B.C. star who, after only a year's acquaintance with swimming did so well in the championships last year, has made further advance and she should be a prominent figure at this meeting.

Trojan Basketeers

The following will represent the Trojans in their initial appearance in the Basketball League for the 1941-42 season, against Chinese Y.M.C.A. at the Chinese Club, Waterloo Road, at 7.30 p.m. on Saturday.

C. Figueiredo, T. Silva, F. Silva, D. Silva, Nick Beltrao, Poon Kwan-yim, D. Neves, H. Camind and B. Young.

Outsider Wins Again At Newmarket

NEWMARKET, July 31 (Reuter).—St Leger and other classic three-year-olds raced for the Sussex Stakes over a mile course here to-day, but Lord Glancie's outsider, Eastern Echo, upset calculations with victory over the fancied Flic, owned by Captain Balile.

Lord Rosebery's Ptolemy, the only St. Leger candidate running, was third.

Schmeling Abed With "Stomach Ache"

.... Says Nazi Report

NEW YORK.—Max Schmeling is recuperating from a stomach ache and parachute fighting in Crete in a ward on the ground floor of the former American College just outside Athens, Harry W. Flannery, C. B. S. correspondent, said in a broadcast from German-occupied Athens after an interview with the former heavyweight champion.

"His illness probably had been due to drinking some chocolate abandoned by the British during time he was separated from his company," Flannery said. Schmeling told him during the interview, "The milk in it may have soured."

(The Nazis, in announcing Schmeling was in a hospital, said he was suffering from a "tropical disease.")

In Hospital

FLANNERY said he found the former prizefighter asleep in a ward with nine other German soldiers in the college building now turned into a hospital.

"Schmeling, it was learned, was among the first group of parachute troops which landed on Crete in the early morning of May 20 to undertake the first invasion of an island by air," said Flannery.

"Schmeling landed in a vineyard three miles south of Cania and four miles east of strategic Suda Bay."

Schmeling, who previously had been reported killed in Crete, said he lost 25 pounds from the strenuous battling and subsequent illness.

His Descent

Describing his descent, Schmeling was quoted as saying: "We swooped pretty low before we jumped out. Then we opened the chutes right away, and, as a result, there



THIRD SOCCER TEST MATCH

Action in the Third "Test" match between the touring Hongkong Chinese footballers and Australia at the Sydney Cricket Ground. China won 5-2. Here we see Lai Shiu-wing being tackled by two of the home team, while C. T. Tsao waits in the rear.

Six Chinese Soccer Players Invited To Stay In Australia

H.K.C.A.A.F. Annual Meeting Club Withdrawals

The Hongkong Chinese Amateur Athletic Federation held its annual general meeting yesterday, and despite the fact that six affiliated Clubs had withdrawn during the past term, a successful year was reported. Mr Mok Hing was in the Chair.

A profit of \$896.07 was shown, and in the report Mr Mok Hing revealed that during the year South China A.A., Chinese Bathing Club, Chinese R.C. Taikoo Chinese R.C., Chinese Y.M.C.A. and the H.K. Miniature Football Union had withdrawn, but that the last three named had since rejoined.

New Officials

The following officials were elected for the ensuing year: Chairman, Mok Hing; Vice-Chairman, Lam Chik-ting; Treasurer, Mok Hing; Auditor, Tam Pak-fai; General Secretary, Lo Kwok-min; Clerk, Yick Fan-shik.

The following were elected to take charge of the various sporting activities, with the assistant given second:

Football (Sze Po-wai and Lam Chung-ho); swimming (Tao Yin-sun and Lau Tin-kwong); basketball (Kwok Mok-hoi and Siu Hon-ji); track and field (Tsun Kin-hong and Chu Fook-sing); volleyball (Tsun Hing and Yu Ting-chik); water-polo (Lau Ting-kwong and Fan Bing-man); ping-pong (Fang Kui-pui and Swok Cheuk-kwan); miniature soccer (Lau Chung-tsun and So Kin-hoi); billiard (Wang Sin-wan and Soong Chi-yin) and Yuen Kam-to and Ng Par-ling in charge of publicity.

Each of the following eleven clubs affiliated to the Federation nominated five representatives to serve on the body: Chung Shing Benevolent Society, Eastern Club, Hongkong Miniature Football Union, Tung Yee Club, Chinese Y.M.C.A., Ling Fung Club, Kiti Chee, Wah Kiu and Kowloon Residents' Union.

were only about 12 seconds that we could be shot at.

"And we were shot at, too.

"Each of us guarded ourselves as we came down with a pistol.

"I've got a lot of friends over there (in the United States)," Flannery quoted him as saying. "I hope the war is over soon and we can get together again."

It now transpires that there were concrete offers behind the message from Sydney that stated that the touring Chinese football team from Hongkong were seeking to remain in Australia. This is what the Press reports:

Six members of the Chinese Soccer team have received offers to play with clubs in Australia.

They are V. K. Hyui (centre-forward), C. T. Tsao (outside-left), K. H. Chang (right-half), L. S. Sung (centre-half), Y. S. Hau (left-back), and S. W. Lai (inside-left).

If the players can be exempted from the Commonwealth Immigration Act regulations they will stay. The Australian Soccer Association had to provide £100 bonds for each of the Chinese players.

The bonds provide that the players will leave Australia within six months.

The players will ask the Chinese Consul-General (Dr Pao) to negotiate for exemptions.

Keen To Stay

HYUI has been approached by Leichhardt, but the other players would not divulge the names of the clubs who had approached them.

Two offers are from Melbourne clubs and the others from Sydney.

"I am keen to stay in Australia," said Hyui.

"My play has improved here, and in another season or two I am sure I would do very well."

Leichhardt's secretary (Mr W. Orr) said: "I intend to do all possible with the immigration authorities to enable Hyui to stay in Australia."

"Hyui doesn't want fantastic conditions, and he would be the greatest centre-forward in Australia."

The co-manager (Mr Peter Woo) said: "The whole team would like to stay."

"I will do all possible to assist in the negotiations for the players approached."

"Our players have become very popular because of their good conduct as well as good play."

"The players approached are good all-round athletes, and would be a boon to Australian sport."

"Chang and Hyui are Olympic Games' basketball representatives."

Former Cases

A. RESNIK and A. Beth-Halevy, members of the 1938 Palestine team which toured Australia, were given permission to stay in Australia after the tour.

They are still playing in Victoria.

Boxing

Danahar Or Snow To Meet Ernie Roderick

THE BOXING CONTROL BOARD has decided to recognise a contest, if arranged, between Norman Snow and Arthur Danahar as a final eliminator for the British welter-weight championship, the winner to meet Ernie Roderick for the title.

Billy Hazelgrove is to meet Eric Jones (holder) for the southern fly-weight championship, and the Board has also decided to recognise a fight between Eddie Maguire and Dave McCleave as for the southern middle-weight title.

Hockey On Skates

The Hongkong Skating Club defeated the Cornishians by four goals to nil in a skate hockey game played at Chow Rink on Wednesday. Drewery scored two goals for the winners. The other goal-scorers were Cheung and A. Lam.

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REASONABLE PRICES

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EVERYWHERE

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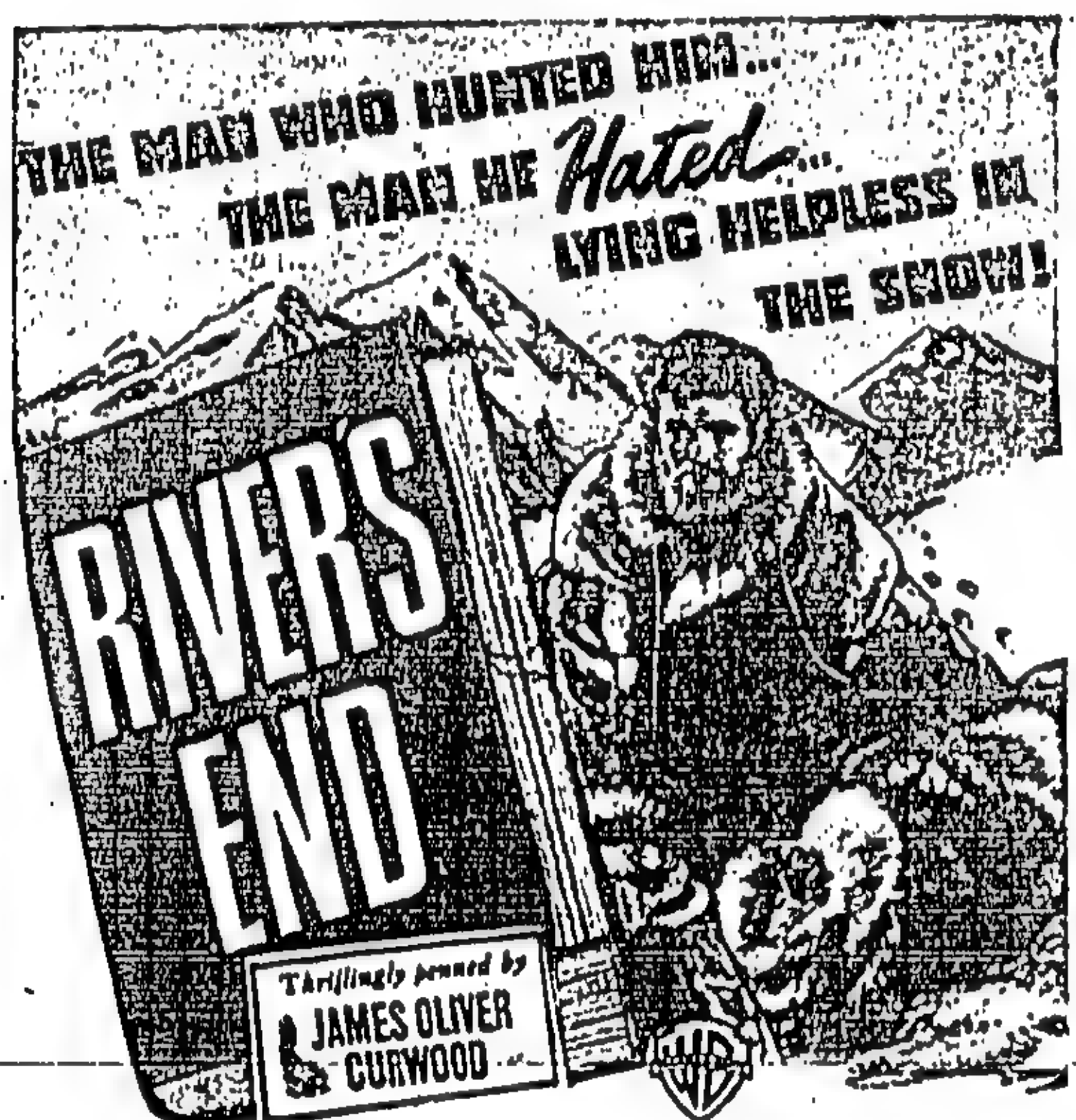
NEW SCREENING TIMES FROM TO-DAY
AT 2.30 - 5.30 - 7.45 - 9.45 P.M.



NEXT CHANGE "ONE NIGHT IN THE TROPICS"
WITH ALLAN JONES - NANCY KELLY - DUDABOTT
LOW COSTELLO - ROBERT COMMINGS—A Universal Picture

ORIENTAL

FOR TO-DAY AND TO-MORROW
HERE'S WHERE CIVILIZATION ENDS AND THRILLS BEGIN!
Beyond the furthest reach of civilization, a hunter and his human quarry meet. There begins the most stirring adventure of the Northwest Mounted.



DENNIS MORGAN - GEO. TOBIAS

STARTS SUNDAY "HIGH SIERRA" IDA LUPINO HUMPHRY BOGART
MATINEES: 30c, 40c. EVENINGS: 30c, 40c, 55c, 70c.

CATHAY

TO-DAY & TO-MORROW
THE "HAPPY-GO-LAUGHING" MUSICAL HIT!
A world of gaiety, joy and romance-sparkling with the melodies of VINCENT YOUmans. If you love a thrill for your eye, a thrill for your ear and thrill for your heart — DON'T MISS IT!



STARTING SUNDAY : "CHAD HANNA" Henry Fonda Linda Darnell

LEE THEATRE

SHOWING TO-DAY
A CHINESE DRAMA
IN MANDARIN
集續聲歌半夜 "THE ELEGY"
New places are springing up everywhere. But for best service and quality none can compare with your Old Favourite Restaurant.
THE CHANTECLER
TRY OUR POPULAR \$1.00 TIFFINS
Served in the Snack Bar

Selassie Takes His Revenge

Orders Arrest Of His Own Son-in-Law

CAIRO, June 21.—The restored Emperor Haile Selassie has ordered the arrest of his own son-in-law and two other powerful Ethiopian tribal chieftains for treachery in trafficking with the Italians in their conquest and five-year occupation of Selassie's kingdom.
Reliable information received from Addis Ababa said the three were Ras Haile Selassie Gussu, who married the emperor's daughter, Zenab Waris, Ras Seyoum and Ras Hailu.
Of the three, only Ras Seyoum, hereditary ruler of Tigre province and father-in-law of Ethiopia's crown prince, has escaped the imperial wrath in the past.
Ras Gussu's family has been out of favour with the ruling clan for more than half a century.
He is a great-grandson of Johnannes who, though nominally emperor for 20 years, had to share his power with King Menelik, who controlled the rich central provinces.

TUTUILA AFFAIR NOW CLOSED

FROM PAGE ONE

tions to Japan both in Washington and Tokyo. The American Ambassador at Tokyo, Mr. Joseph Grew informed the State Department that the Japanese had no details but expressed their regrets. A representative of the Navy Ministry also telephoned the United States Naval Attache and expressed regrets. Mr. Welles then added that until Mr. Grew receives a definite reply, there will be no further statement on the subject at Washington.
Mild Satisfaction
WASHINGTON, July 31 (Reuter).—Japan's apologies for the bombing of the gunboat Tutuila during a raid on Chungking have been received here with mild satisfaction. There is no immediate indication that the incident is thus closed.
U.S. Attitude "Not Clear"
TOKYO, July 31 (Reuter).—Authorities here are believed to be doing their utmost to minimise the possible repercussions to the Tutuila incident to which the official American attitude is not clear.
Details are lacking at present.

Glamour Girl Weds A Footballer

America's No. 1 glamour girl, the multi-millionaire Brenda Frazier, married a professional ex-footballer, John Kelly, in New York recently.
The ceremony was a quiet affair and was solemnised before an improvised altar at the apartment of the bride's mother by Father Flannery, Administrator of St. Patrick's Cathedral.
Brenda was New York's leading debutante of the 1938-39 season, and is described as the most photographed society girl in the world.
She came into possession of her father's legacy of several millions on her 18th birthday.

LATE NEWS



NO GOOD TO U. S. — Policeman stands guard in front of German consulate in New York, ordered closed by U. S. State Department for assorted fifth column activities.

Veterans of Last War Relinquish Pensions

LONDON, July 31 (British Wireless).—Some £37,000,000 will be spent this year by the Ministry of Pensions in cases arising out of the last war. Minister of Pensions Sir Walter Womersley told the House of Commons to-day.

He revealed that there are approximately 818,000 pensioners and dependents from the war of 1914-18 and that a number of claims are still being received relating to disabilities arising out of war service.

Sir Walter spoke of the patriotic spirit shown by pensioners, some 440 of whom had relinquished their pensions as their contribution to the war effort, while others had lent their pensions to the Government free of interest.

Awards in Present War
Regarding the present war, Sir Walter said that he had made 200 awards to members of the Home Guard injured on duty and 75,000 in cases of civilians injured in air raids. About 10,000 civilian pensions had been granted in respect of death, 8,000 being widows' pensions.

The Minister said that he hoped soon to make a statement regarding the training of disabled men.

Lull In Desert Warfare

FROM PAGE ONE

fixed guns to the Allied troops, the communique adds.

Tank Action
LONDON, July 31 (Reuter).—Mention of British tank action in to-day's Italian communique is interpreted as significant in authoritative circles in London.
It is pointed out that the passage in the communique, read in conjunction with yesterday's official British announcement that the British garrison at Tobruk had wrested the initiative from the enemy, indicates a definite strengthening of the British position there.

CAIRO, July 31 (Reuter).—Baron de Benoist, newly appointed Free French delegate to the Near East, officially took up duties at his office to-day, according to an independent French news agency. He marked the occasion by giving a reception at which Egyptian and foreign newspapermen were present.

Japan Seeking Pact With Thai

FROM PAGE ONE

the "Supabburu", drawing attention to the respective procedure adopted by the two Powers when moving up their forces to the Thai border.
The paper says that the British authorities always informed the Thai Government of every military movement near the Thai border, but the Government was still without official information regarding Japanese troop movements though a Japanese air base is reported to have been established three miles from the new Thai frontier with Cambodia.

Denies Grant of Bases
LONDON, July 31 (UP).—The Thailand Consulate-General here has denied any agreement with either Japan or Great Britain regarding the granting of bases. Thailand will not grant bases to anyone, he declared.

TITANIC BATTLE OF SMOLENSK

FROM PAGE ONE

Porkhov, Novorzhev and Zhitomir directions. In other directions and sectors of the front, no important engagements took place.
"During the day of July 30, enemy planes thrice attempted to raid Leningrad. All attempts to break through to the town were beaten off by A.A. fire and by our fighters."

SAVED BY HIS TEETH

John Henry Mitchell, of the R.N.R., has good strong teeth which "saved his life and two other lives. He jumped into the water between two trawlers and reached two helpless men Mitchell grabbed one by his hair, held up the second man with his other hand and kept them and himself afloat by gripping a rope with his teeth. Hanging on like this he got a rope round each of the men in turn so that they could be pulled out. He has won the Albert Medal.

QUEEN'S & ALHAMBRA

NOTE NEW TIMES
2.30, 5.30, 7.45, 9.45

TO-DAY & TO-MORROW

Prepare Yourself for a Treat — When a Group of Amazingly Talented Youngsters Display Their Musical Ability!



SUNDAY "ONE NIGHT IN LISBON"
Paramount Romantic Comedy
FRED MacMURRAY - MADELINE CARROLL
PATRICIA MORISON - BILLIE BURKE

STAR

NOTE NEW TIMES!
2.30, 5.30, 7.45 & 9.45 P.M.

To-day & To-morrow

LAURENCE OLIVIER
JOAN FONTAINE
"REBECCA"

SUNDAY

MICKEY ROONEY
"Andy Hardy Meets Debutante"

MAJESTIC THEATRE

NEW TIMES FROM TO-DAY:
At 2.30, 5.30, 7.45 and 9.45 p.m.

TO-DAY & TO-MORROW

The Latest and Best of the "Cisco Kid" Adventures!



ADDED ATTRACTION:
LATEST MOVIE TONE NEWS
Directly after the King's Theatre

COMMENCING SUNDAY
THE EPIC OF THE MORMONS!
"BRIGHAM YOUNG"

TYRONE POWER - LINDA DARNELL - DEAN JAGGER
A 20th Century-Fox Super-Production!

Rich Railroad Man Dead

NEW YORK—Arthur Cullis James, 74, one of the 12 richest men in America, died recently of pneumonia, 20 days after his wife's death. James, who inherited copper, silver and gold mines and railroad securities from his grandfather and father, used his wealth to purchase more railroad stock until he was reputed to hold more railroad securities than any other man in the country. His investments at one time were estimated at \$350,000,000 in approximately 40,000 miles of railroad.

Thoroughbred Bull Breaks Record

PLEASANT PLAINS, Ill. — A thoroughbred Aberdeen-Angus bull, named "The Bull," broke a 20-year-old price record on the books of the Aberdeen-Angus Breeders Association. The Bull, Eileenmure 280, was sold by J. Garrett Tolson of Pleasant Plains, Ill., to Col. A. E. Pierce of Custer Farms, Warrenton, Va. Mr. Tolson's cattle broke another 20-year record, when 39 head of thoroughbred Aberdeen-Angus were auctioned for an average of U.S.\$924.

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Ingenohl's Grand Corona



Obtainable at all
Ingenohl's Cigar Stores "La Perla del Oriente" and other tobacconists

CLASSIFIED ADVERTISEMENTS

25 words \$2.50
for 3 days prepaid

WANTED KNOWN.

FLOWER and Vegetable Seeds: New Shipments have now been received. Book your order now. Special prices will be quoted for vegetable seeds in bulk. Ask for our Catalogue. The Clover Flower Shop.

FOR SALE.

THE HONGKONG NATURALIST, Vol. X nos. 3 and 4. Price \$4 (postage extra). New on sale at South China Morning Post Ltd.

Chinese Seamen Machine-Gunned

The ramming of a Chinese junk and the subsequent machine-gunning of the crew by a Japanese trawler is revealed to have taken place in Chinese waters near the Colony, in a report made to the Police.

Li Kwan-yau, master of the junk, declares that about 8 o'clock on the morning of July 27 he was sailing in ballast near Sha Yau, Chinese waters, when a Japanese trawler approached and rammed him, cutting the junk in half.

As he and his crew clung to the debris, the Japanese opened fire with a machine-gun. Li was wounded in the knee, Fung Cheung, 60, was killed, while Young Shui and Lee Tong, two other members of the crew are missing.

Li is now receiving attention in hospital.

Famous Newspaper Publisher Dies

SPECIAL TO THE "TELEGRAPH"
WALTON ON HILL, Surrey, July 31 (UP).—Sir Emsley Carr, 74, Editor in Chief and Chairman of the "News of the World," the circulation of which he built up from 40,000 in 1891 to 4,000,000, the largest Sunday circulation in the world in 1939, died here to-day.

The Hongkong Telegraph Eleventh Annual Amateur Photographic Competition

June—September, 1941.
Two Silver Trophies Awarded by ILFORD LTD.
For the best and second-best entries.
Three Silver Trophies Awarded by EASTMAN KODAK CO.
First Prizes in each of the three Sections.

\$250 CASH PRIZES \$250

SECTION ONE

Interior scenes, Table Top and Still

Life Studies.
(Excluding portraits, plants and flowers).

1st KODAK SILVER TROPHY

2nd \$40. 3rd \$30. 4th \$10

SECTION TWO

Portraiture.

1st KODAK SILVER TROPHY

2nd \$40. 3rd \$30. 4th \$10

SECTION THREE

Plants and Flowers.

1st KODAK SILVER TROPHY

2nd \$50. 3rd \$30. 4th \$10

RULES

- The following Rules will govern the Competition.
- The Competition is open to all photographers.
- The entries awarded the Ilford Trophy for the best and second-best pictures in the Competition, will not be entitled to any other prize.
- The prizes will be awarded to the competitors sending in what are adjudged to be the best photographs in each Section. Each entry must be accompanied by a form which will be published during the period of the Competition, and which must be pasted on back of entry.
- The right to publish any or all of the entries is reserved to the Hongkong Telegraph.
- All photographs entered must have been taken in the Colony of Hongkong. Photographs which have been already entered in other Competitions are ineligible.
- No responsibility will be accepted for non-delivery of, loss of, or damage to entries.
- All entries to be either black, white, or tinted pictures and must be mounted. Coloured photographs are ineligible.
- Pictures submitted in sepia-tones should be accompanied by a smaller print in black and white.
- No pictures to be entered in more than one Section.
- Mounts to be only white or cream, must be of one of the following sizes—10x12, 16x20.
- No correspondence will be entered into in connection with the Competition.
- Members of the Staffs of the Hongkong Telegraph and the South China Morning Post are not permitted to compete.
- The decision of the Judges shall be final.
- At the conclusion of the Competition, entries will be returned to competitors on application at the Telegraph offices within seven days.
- The use of aliases is strictly forbidden.

ENTRY FORM

NAME

SECTION

ADDRESS

Please use block letters and paste one of these forms on back of each entry.

NEW ADVERTISEMENTS.

BANK HOLIDAY

In accordance with Government Ordinance, The Exchange Banks will be closed for the transaction of Public Business on Monday, the 4th August, 1941. (The first Monday in August).

Hongkong, 30th July, 1941.

C. R.

PARTICULARS & CONDITIONS of the Sale by Public Auction to be held on Tuesday, the 5th day of August, 1941, at 3 p.m., at the Office of the Public Works Department, by Order of His Excellency the Governor of one Lot of Crown Land at Cheung Sha Wan, in the Colony of Hong Kong, for a term of 75 years, commencing from 1st July, 1898, with the option of renewal at a Crown Rent to be fixed by the Surveyor of His Majesty the KING, for one further term of 24 years less the last three days thereof.

Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant) will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, (\$200) in cash. This sum will be refunded on payment of the Purchase price.

PARTICULARS OF THE LOT.

No. of Sale	Locality	Boundary Measurements	Contents in sq. feet	Area, Acreal	Upset Price
1	New Kowloon No. 2477	Between Wing Street and Cheung Sha Wan.	100 feet by 100 feet	1.00	\$10,000

The purchaser of the lot will be required to pay to the auctioneer in cash the sum of \$1,200.00 (being 10% of the upset price) immediately after the fall of the hammer, the balance of the premium being paid in accordance with the Conditions of Sale.

NOTICE

DEFENCE REGULATIONS 1940
The following rates will be charged for mailing single copies of the following newspapers abroad:—
South China Morning Post
China and Macao
10 cents per copy
British Empire and Foreign
25 cents per copy
The Hongkong Telegraph
China and Macao
16 cents per copy
British and Foreign
20 cents per copy
25 cents Saturdays.

No Surrender Manifesto To Red Guerillas

MOSCOW, July 31 (Reuter).—A stirring appeal to the people in German-occupied Soviet territory to exterminate the Germans has been made, according to a dispatch to the Soviet official news agency from the front.

The message reads: "Marshal Budenny, Commander-in-Chief of the south-western front, and M. Khrouchtchev, Secretary of the Central Committee of the Communist Party of the Ukraine, have made the following appeal to the population of German-occupied Soviet territory.

"We address ourselves to those who are able to handle arms; join guerilla detachments, create new lines, exterminate the hateful German troops, annihilate the Fascists like mad dogs. Derail their trains, interrupt communications, blow up dumps so that no single gramme of grain is left to the enemy. Move as much as you need for the near future and destroy the rest. Destroy plantations of industrial crops, beetroot, the hour of our victory is at hand. Make every effort to fight the enemy and exterminate him."

Hotels Bring Action

The Hongkong and Shanghai Hotels, Ltd., brought an action before Mr. Justice P. E. F. Cressall in the Summary Court this morning against A. E. Bowen, of No. 61a Wongsai Road, first floor, from whom they claimed the sum of \$137.00 and costs.

Mr. Y. K. Kan, of Deacons, appeared for Plaintiff, and Mr. H. A. de B. Botelho for Defendant.

Mr. Botelho asked for a week's adjournment in order, he said, to settle Defendant's affairs. As far as he knew, there was no defence.

His Lordship, in granting the adjournment, said that Defendant should consent to judgment if there was no defence.

Japanese Withdraw Troops Lull In China

CHUNGKING, July 31 (Reuter).—According to reports reaching here, Japan originally planned to withdraw 400,000 troops from China for operations in the South Seas and in Manchuria.

Japan is probably withdrawing 100,000 troops at present and there are signs of withdrawals from Central China although definite figures cannot be obtained at present, said a Chinese spokesman this afternoon.

Withdrawals from North China have already begun.

The spokesman said that these withdrawals combined with the Japanese occupation of Indo-China, have resulted in little activity on the Sino-Japanese fronts outside the aerial bombings of Chungking.

Disaster In Failure
TOKYO, July 31 (Reuter).—Headquarters revealed that Japanese troops are continuing to go to Indo-China as the Finance Minister, Mr. Masatane Ogura, warned the nation that failure of the China affair will mean disaster to Japan.

H.K. Stock Market

The following quotations were issued on the Hongkong Stock Market this morning.

BANKS	Upset Price
H.K. Banks \$.....	1,340 n.
H.K. Banks \$.....	70 n.
H.K. Banks (H.K.) \$.....	75 n.
Chartered Bank \$.....	83 n.
Mercantile A. & B. \$.....	23 1/2 n.
Mercantile C. \$.....	11 n.
East Asia \$.....	75 n.
INSURANCES	Upset Price
Canton \$.....	225 b.
Union Ins. \$.....	405 n.
China Underwriters \$.....	1 n.
H.K. Fire Ins. \$.....	185 b.
SHIPPING	Upset Price
Douglas \$.....	120 n.
Stamhols \$.....	8 1/2 n.
Indo-China P. \$.....	80 n.
Indo-China D. \$.....	70 n.
Shell (Bearers) \$.....	48 1/2 n.
Waterboats \$.....	0.55 n.
DOCKS ETC.	Upset Price
Wharves \$.....	91 ca.
Docks \$.....	15.70 n.
Providents \$.....	0.5 n.
Shal Dockyards \$.....	27 n.
MINING	Upset Price
Kailan \$.....	13/8 n.
Raub \$.....	8 n.
H.K. Mines \$.....	2 cts n.
LANDS	Upset Price
Hotels \$.....	3.40 n.
Land \$.....	34.00 n.
Land 4% Debentures \$.....	97 1/2 n.
Shal Lands \$.....	17.00 n.
Humphreys \$.....	7 n.
H.K. Realities \$.....	3.30 n.
Chinese Estates \$.....	101 b.
UTILITIES	Upset Price
Trams \$.....	17.00 n.
Peak Trams (old) \$.....	7 n.
Peak Trams (new) \$.....	3 1/4 n.
Star Ferries \$.....	53 1/2 n.
Y. Ferries \$.....	22 n.
China Lights (old) \$.....	6 n.
China Lights (new) \$.....	1.30 n.
H.K. Electric (old) \$.....	2 1/2 n.
H.K. Electric (new) \$.....	21 n.
H.K. Electric Rts \$.....	11 n.
H.K. Electric \$.....	18.00 n.
Sandakan Lights \$.....	12 1/2 n.
Telephones (old) \$.....	23 n.
Telephones (new) \$.....	8 1/2 n.
INDUSTRIALS	Upset Price
Cold: Macg. (Ord.) \$.....	30 n.
Cold: Macg. (Pref.) \$.....	25 n.
Canton Ice \$.....	1 n.
Cement \$.....	14 1/2 n.
H.K. Ropes \$.....	8 1/2 n.
STORES &c.	Upset Price
Dairy Farms \$.....	10 1/2 n.
Watsons \$.....	10 1/2 n.
Lane Crawford \$.....	6.45 n.
Sincere \$.....	2 1/2 n.
Wing On (H.K.) \$.....	30 n.
Wm. Powell Ltd. \$.....	1 1/2 n.
COTTON MILLS	Upset Price
Ewo Sh. \$.....	37 1/2 n.
Shal Cotton Sh. \$.....	305 n.
MISC.	Upset Price
H.K. Govt 4 1/2 % \$.....	95 1/2 n.
H.K. Govt 3 1/2 % (1934) \$.....	94 1/2 n.
H.K. Govt 3 1/2 % (1940) \$.....	95 n.
Ch. Govt 5 1/2 % 1925 GBds. \$.....	92 n.
Enterprises \$.....	6 1/2 n.
Constructions (old) \$.....	1.60 n.
Constructions (new) \$.....	80 cts n.
Vibro Pilling \$.....	7.20 n.
Marsmans Inv. (Lon.) \$.....	5 1/2 n.
Marsmans Inv. (H.K.) \$.....	5 1/2 n.

FIGURES ON ALIENS AND REFUGEES

LONDON, July 31 (British Wireless).—It was revealed in a Parliamentary answer that authority had been given for 308 interned refugees to be returned to the United Kingdom from Canada and 173 from Australia.

Altogether 891 persons had been already brought back from Canada and 100 were now on the way from Australia.

These figures were given by the Home Secretary who also said that since the war began 88,000 aliens had been given permission to leave Britain, of whom about 82,000 had embarked for European ports.

COURT-MARTIAL FOR M.P.

SPECIAL TO THE "TELEGRAPH"
LONDON, July 31 (UP).—It is officially reported that Major Sir Herbert Paul Latham, Conservative Member of Parliament, has been detained for court-martial for alleged offence against the gallantry laws.

Fined For Smoking While Driving Car

"Is it an offence to smoke while you are driving?" queried Mr. H. C. Macnamara at Kowloon Magistracy to-day and the reply given by Traffic Sub-Inspector A. R. Brittain was "Yes, while your vehicle is in motion it is an offence."

The question came up when Tao Lal, 201 Nam-Chong Street, was summoned for unlawfully smoking while his vehicle was in motion on Castle Peak Road at 4.10 p.m. on July 10.

It was said that the Defendant was driving a private car with a cigarette in his right hand. Only one hand was on the driving wheel.

Defendant was fined \$2. Cheung Shek, 218 Hop-Yick Street, and driver of lorry No. 1587, was summoned before Mr. Macnamara for driving without due care and caution in Castle Peak Road near the 9 1/2 milestone at 11.45 a.m. on July 9.

Sub-Inspector Brittain stated that Defendant turned his lorry and there was a sound of making sure there was nothing behind he just backed and the result was that he ran into a parked bicycle which was severely damaged.

A fine of \$5 was imposed.

On Bus Stop
Ng Kam, conductor of Kowloon Motor bus No. 829, was fined \$5 for allowing a person to stand on the foot board or step of the bus while it was in motion in Castle Peak Road at 4.20 p.m. on July 10. Defendant was also summoned for failing to wear his badge in a conspicuous position and was fined \$2.

On Mudguard
Wong Hing, 7 Matheson Street, and driver of motor cycle No. 631, was fined \$10 for carrying a person on his motorcycle when it had not a proper seat securely fixed to it behind the driver.

It was said that a passenger was sitting on the mudguard. The cycle had no pillion seat.

Wong Lok, 80 Fuk Wah Street, ground floor, was summoned for failing to immediately draw in to the roadway and stop clear of crossings when a fire appliance, motor ambulance or a police motor vehicle, indicated its approach by means of a distinctive siren or bell in Nathan Road at 8.20 p.m. on July 8.

The summons was denied and was adjourned to Tuesday.

Auction Of Crown Land

New Territories Lots Disposed of Cheaply
Seven lots of Crown land in the southern district of the New Territories were sold by public auction at the District Office, South, this morning. The lots at Tsing I Island were withdrawn. Mr. S. F. Balfour, District Officer, was the auctioneer.

A lot at Tai-O with an area of 3,900 square feet, was put up for auction at an upset price of \$60, and was finally sold for \$35 to Lo Kwok-in. The annual crown rental is \$7.

Two lots at Ma Wan with areas of 1,500 square feet and .92 acre respectively were sold to the applicant, Hung Ping-jun, at the upset prices of \$15 and \$100 respectively. The annual crown rentals for the respective lots are \$2 and \$1.

A lot with an area of 300 square feet at Ping Chau, was purchased for \$20 by Tsui Hoi. The upset price was \$3.

Two further lots at Ping Chau were sold to their applicants. One lot with an area of 300 square feet was purchased for \$23 by Ng Fat who represented the applicant. The upset price was \$3. The other lot with an area of .08 acre was sold to Wu Kwai for \$20. The upset price was \$8.

The last lot, at Tung Chung with an area of 300 square feet was bought by Yu Fun-mul at the upset price of \$4.

Major Baseball

N.Y. Yankees Move Further Ahead

NEW YORK, July 31 (UP).—New York Yankees moved further ahead in the American Baseball League table to-day beating Detroit Tigers 6-3. In the National circuit, N. Y. Giants were nosed out 6-5 by Cincinnati Reds.

AMERICAN LEAGUE

At New York: Yankees 6, Detroit 3.

At St. Louis: Cardinals 4, Browns 0.

At Philadelphia: Athletics 3, Phillies 1.

At Chicago: Cubs 2, White Sox 0.

At Boston: Red Sox 1, Yankees 0.

At Cleveland: Indians 1, Yankees 0.

At Washington: Senators 1, Yankees 0.

At Detroit: Tigers 3, Yankees 6.

At St. Louis: Cardinals 4, Browns 0.

At Philadelphia: Athletics 3, Phillies 1.

At Chicago: Cubs 2, White Sox 0.

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At Philadelphia: Athletics 3, Phillies 1.

At Chicago: Cubs 2, White Sox 0.

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ACKNOWLEDGMENT

The Family of the late Mrs. Guillemine Leong Hing-lee express their deep gratitude to all friends and relatives for their expression of sympathy, floral tributes and attendance at the funeral. A High Requiem Mass will be celebrated at the Roman Catholic Cathedral, Caine Road, on Saturday, 2nd August, 1941, at 7.30 a.m. All relatives and friends are cordially invited.

The
Hongkong Telegraph

Friday, Aug. 1, 1941.

Wyndham St., Hongkong
Telephone: 26615

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WAR'S BIG LESSON

The latest figures issued by the Ministry of Labour, show that the unemployment problem in England no longer exists. Although recent Ministry records indicate there were 310,000 unemployed in the middle of July, at least one-third of the male workless were unsuitable for ordinary industrial work and the rest were moving from one job to another on the day of the count. Of the women unemployed, one-third were not suitable for ordinary work, and many more had been registered for less than four weeks. It is probable the next figures will show an even greater reduction, and that there will be no idle workers except those who, for one reason or another, are not capable of being fitted into industry.

This result has been achieved by the concentration of the nation's productive power on the task of winning the war. The same result was achieved in the war of 1914-18. After that war the unemployment problem again became part of the "normal" life of the country, because no steps had been taken to prevent it. That must not happen again after this conflict. As the memorandum of "The Peace", submitted to the annual conference of the Labour Party expressed it: "Mass unemployment is intolerable in war; we must make it intolerable in peace. Distressed areas are incompatible with a full war effort; the organisation which removes them for the purpose of war must remove them for the purpose of peace. Finance is the servant, and not the master, of political policy in war time; it must continue in that relation when peace comes. In war our great material resources are not private empires to be administered for victory; they must be similarly administered as we turn from war to peace."

Not only Labour, but practically all sections of the community—political, financial and social—in Britain have come to express these sentiments. The generally-accepted formula for post-war Britain is that man-

CHINA'S MAJOR PROBLEM:

FOOD

Feeding its people is China's most pressing economic problem. On the solution to this problem future political developments may well hinge. Already economic maladjustment has produced far-reaching social and political consequences. In the opinion of many observers, it was one of the prime factors which conditioned the Central Government's decision to launch an attack on the Chinese Communists. Many see in it one of the major causes of the recent upsurge of political repression in China, pointing out that scarcity usually brings policemen.

The food problem began to grow serious about a year ago. Up till that time the price of rice had been fairly stable, at least in comparison with the prices of manufactured goods which had been soaring ever since the fall of Canton and Hankow. Before the war a picul (133.33 lbs.) of rice in Chungking cost about \$9.50. In the winter of 1939-40 it cost \$17; in the summer, \$30. Late in the summer and throughout the fall it rose as rapidly as stocks were even executed, including dramatically as stocks Yuan Chuan-yu, a former in the streets of Chungking, lines of people holding baskets and bags standing patiently along the curbs. Gendarmes kept them in line.

Rice Prices

Current reports received from China show that the stabilisation felt early in 1941 has not continued. In Szechwan the price is reported to have reached \$250 a picul, although in other districts the price remains considerably less. Between March and May the price at Kweilin, Capital of Kwangtung, rose from \$30 per picul to \$96. In Kwangtung, a market if not in the warehouse, the price of rice now costs \$120, while houses in the mountainous regions of the same province it has gone as high as \$200.

Shortage Crux?

Government officials steadfastly maintained that rice was plentiful. They attributed the price rise to high cost of transport, maldistribution, profiteering and "psychological factors." But some of the measures

kind must be rid of the fear of war, and that there must be a determination to abolish want and to realise for every citizen an "equal claim upon the common stock of welfare." Neither need the cynics boast of scoring a debating point by arguing that the same ideals were bandied about during the last war, and came to naught. Not only Britain, but the entire world is to-day learning from bitter and unforgettable experience the necessity for a complete readjustment of social, economic and political foundations; this war, in fact, will make them inevitable.

which the Government being issued every five months. Rice, however, led the general price level last fall, as the reason seems to have been the insufficiency of the 1940 crop, particularly in Szechwan. According to the statistic of the Provincial Government, the crop of hulled rice in Szechwan, Kuomintang China's "key economic area," was 45,000,000 piculs, about half of the consumption requirements. Thus the landlord class has an excellent opportunity to estimate was more general and profiteer; and if the crop of un-hulled rice, a deficit of about 50,000,000 piculs. Even if the surplus is politically complicated by the fact that (officially estimated at about 23,000,000 piculs) were de-ducted, a large deficit would remain. Of course rice re-

He proposed:
1. Adjustment of supply with demand.
2. Promotion of consumption of cereal other than rice.
3. Reduction of the brew- ing of rice wine.
4. Increase in food production.

5. Construction of irrigation works.

In November and December the Government made serious attempts to halt the China's food supply. In part

By **HUGH DEANE**

who has observed conditions in war-torn China for a year and a half as correspondent of the "Christian Science Monitor"

the shortage of rice was compensated by an increase in the winter crops, wheat, corn and vegetables—and by hoarding the rice. In a general tightening of the belt.

Localism Complication

The food problem in China is complicated by the localism of the economy, which makes distribution of rice stocks in a steady shrink, especially since the Sino-Japanese war, a factor which will intensify costs about 23 Mexican dollars a gallon, together with the general lack of roads, makes shipment of rice from an over-supplied to an insufficiently-supplied area difficult, and therefore China really requires a considerable surplus in order to insure a fairly even distribution.

Even if an adequate supply of rice exists, the fact that almost all of it is held by a few landlords brings the problem of getting well as for cities.

GRIN AND BEAR IT By Lichty



"While you're fixing the displays, pile that golf stuff around the Prescription Counter—this time of year doctors usually prescribe a lot of golf!"

TUTUILA AFFAIR NOW CLOSED

Official Apologies Accepted

WASHINGTON, July 31 (Reuter).—Mr. Sumner Welles stated to-night that the United States had accepted the official apologies of the Japanese Government regarding the bombing of the gunboat Tutuila and that the incident was regarded closed.

Earlier Report

WASHINGTON, July 31 (Reuter).—Declaring that Japanese apologies for the bombing of the United States gunboat Tutuila were insufficient to close the incident, Mr. Sumner Welles told pressmen to-day that the United States Government awaits a more complete reply to representations made here and Tokyo.

Mr. Welles said that immediately upon being informed of the incident yesterday morning, a representative of the Japanese Government called at the United States Embassy in Tokyo and expressed deep regrets. This was done before the representations. After Mr. J. Grew, American Ambassador to Tokyo, had duly carried out his instructions, coinciding with identical representations made by Mr. Welles himself at Washington in conference with the Japanese Ambassador, Admiral Nomura, the Japanese Government made a further preliminary reply.

No Further Statement Yet
Mr. Welles explained that the United States had made representations to Japan both in Washington and Tokyo. The American Ambassador at Tokyo, Mr. Joseph Grew, informed the State Department that the Japanese had no details but expressed their regrets. A representative of the Navy Ministry also telephoned the United States Naval Attache and expressed regrets. Mr. Welles then added that until Mr. Grew receives a definite reply, there will be no further statement on the subject at Washington.

Mild Satisfaction

WASHINGTON, July 31 (Reuter).—Japan's apologies for the bombing of the gunboat Tutuila during a raid on Chungking have been received here with mild satisfaction. There is no immediate indication that the incident is thus closed.

U.S. Attitude "Not Clear"

TOKYO, July 31 (Reuter).—Authorities here are believed to be doing their utmost to minimise the possible repercussions to the Tutuila incident to which the official American attitude is not clear. Details are lacking at present.

CHINESE ASSETS IN BURMA

Frozen By Request

RANGOON, July 31 (Reuter).—The Burma Government has issued a decree freezing Chinese assets. An explanatory communique says that the order was issued at the request of the Chinese National Government and adds that the Reserve Bank is empowered to exclude persons and firms resident in Free China and also private accounts of Chinese residents in Burma.

May Resign Because Of New Pact

LONDON, July 31 (UP).—It is rumoured that the Polish President, M. Wladyslaw Raczkiewicz may resign owing to his dissatisfaction over the Polish-Soviet pact. There is no confirmation to the reports that three other members of the Polish Government have resigned.

Destruction Caused In Raid on Sardinia

CAIRO, July 31 (Reuter).—The Italian aerodrome and seaplane base at Elmas, Sardinia, in the Central Mediterranean was attacked for the first time by R.A.F. machines on Wednesday.

Considerable destruction among enemy aircraft was caused, reports an R.A.F. Middle East communique. Five bombers and seaplanes were burned out and a number of others were heavily damaged. R.A.F. planes sprayed the interiors of the hangars with their guns.

Anglo-Finnish Relations

LONDON, July 31 (Reuter).—Britain's reply to the Finnish aide memoire, intimating the suspension of the Finnish Legation's activities in London was handed to the Finnish Minister, M. Grippenberg, this afternoon by Sir Alexander Cadogan, Permanent Under-Secretary at the British Foreign Office.

Respecting Finland's assumption that it was hardly possible to maintain normal relations, the British reply recalls intimating as late as July 22 that it had been decided to maintain such relations notwithstanding Finland being engaged with Germany in hostilities against Russia and German troops operating from Finnish soil.

British Blockade

The action recently taken against Finnish trade with trans-oceanic countries was the result of those facts which created circumstances rendering it clearly impossible to allow goods to pass through the blockade to reach territory which must be considered largely under German control.

Since the action was not aimed against Finland, Britain did not consider that it need render normal diplomatic intercourse impossible.

If the Finnish Legation withdraws from London it will follow that Britain will be compelled to withdraw her legation from Helsinki.

Moslem Centre In London

Distinguished Persons

LONDON, July 31 (Reuter).—Many distinguished Moslems are attending an important ceremony on Friday when the new East London Mosque and Cultural Centre is being opened. The programme includes a welcoming speech by Sir Hassan Sahraward, Mohammedan adviser to the India Office, a report by Sir Ernest Holt, Honorary Secretary to the Mosque Fund Trust, a reply by the Egyptian Ambassador, a vote of thanks by Said Emir Shah of the East End Moslem Association, and prayers which will be led by M. Saudi, the Arabian Minister.

A reception will follow in the Club attached to the Mosque. The Mosque and Cultural Centre consists of three houses in the Stepney district of London which have been converted to this special purpose of providing a centre for Moslems in London, including many Moslem seamen who regularly come to London's dockland.

It is intended to fill this need until after the war when a large Moslem centre is being built in London under the auspices of the British Government.

Chinese Sappers Hold Jubilee Parade

Fifty years ago to-day, the first Chinese was enlisted in the Royal Engineers. To mark the jubilee, Chinese Sappers paraded this morning at the Murray Parade Ground, when His Excellency the Governor, Sir Geoffrey Northcote, took the salute. Upper Photo: The Governor inspecting the men. Lower Photo: His Excellency Major-General C. M. Maltby, Hongkong's new G.O.C. (right), seen with Col. E. H. M. Clifford, Chief Engineer, at the parade. (Photos: Ming Yuen).



Huge Iowa Ordnance Factory

Wallace Inauguration

BURLINGTON, Iowa, July 31. (Reuter).—The United States must show complete willingness to fight if necessary if there is to be any chance for peace, declared Vice-President Mr. Henry Wallace in a broadcast speech at the dedication of the Arsenal of Liberty—a \$50,000,000 Iowa Ordnance factory—which was formally opened to-night.

"Only by developing our might to the utmost, only by demonstrating by every action and attitude that we are completely willing to go to war if necessary is there any chance for that peace we so earnestly desire," he declared.

"The flames of war he declared are sweeping the world like a forest fire running before a wind. The preservation of liberty itself depends on us. We shall not fail."

Fought In U.S.A.
Insisting that the "Battle for Liberty" was being fought "right here," Mr. Wallace urged Americans to ignore the "loud minority who give aid and comfort to the enemies of civilization, some unwittingly and some wilfully. To these false prophets of gloom and chaos, we must give no ear. On unity of purpose, devotion to justice, truth, democracy and the might of our arms rests our salvation. We must stand firm."

Outlining what he called the "Axis of Democracy," Mr. Wallace said that he would include "not merely our own German-Americans but in addition the vast bulk of German people themselves. Most of them never believed in blood-spilling in a world to be dominated by the madness of Hitler."

Referring to conquered countries, Mr. Wallace predicted: "The light is coming sooner than you think. Miserable and helpless victims behind the wall of Hitler are beginning to see the light."

U.S.-Czech Relations Announced

LONDON, July 31 (Reuter).

The Czechoslovak Government announce that the United States has agreed to recognise the Czechoslovak Government in London and to appoint diplomatic contact with it.

The announcement follows negotiations between the two countries on Czechoslovakian diplomatic status. Henceforth Dr. Eduard Benes will enjoy the same status as the heads of other states and Czechoslovakia will have the same status as other allied governments.

It is pointed out that the United States has never withdrawn de jure recognition of the Czechoslovak Republic and the German occupation of the country did not affect the full diplomatic status which Colonel Hurban enjoys in Washington.

AID FOR SOVIETS

Preliminaries Under Way

LONDON, July 31 (Reuter).—Further discussions regarding United States aid to the Soviet Union were held both in Washington and Moscow to-day. "Reuter's" Moscow correspondent cables to-night that Mr. Harry Hopkins again saw Mr. Stalin this evening after meeting M. Molotov in the afternoon.

Mr. Hopkins was entertained to lunch by the British Ambassador Sir Stafford Cripps. The American Ambassador, Mr. Laurence Steinhardt, was present.

In Washington, Soviet Ambassador M. Oumansky General Goltov, head of the Soviet Purchasing Mission, and Colonel Repin, his assistant, visited President Roosevelt at the White House to discuss American aid to Russia.

Russia Seeks Tankers

WASHINGTON, July 31 (Reuter).—Russia has asked America for the transfer of two United States tankers, newspapermen were told by Mr. Harold Ickes, Secretary of the Interior, to-day.

Eden Sees Envoys

LONDON, July 31 (Reuter).—Mr. Anthony Eden, the Foreign Secretary, saw Mr. Ivan Maisky, the Soviet Ambassador, and later Mr. John G. Winant, the American Ambassador, this evening.

Aviation Spirit

WASHINGTON, July 31 (Reuter).—Priority rating for the manufacture of 10,000 steel drums to be used for shipping aviation spirit and other petroleum products to Russia have been recommended by the Defence Production Administration Board to the Office of Production Management.

Mr. Ralph Davies, deputy Petroleum Co-ordinator, told newspapermen to-day that the recommendation had followed conferences with representatives of the Amtorg (Soviet Trading Corporation) which had received from the State Department export licenses covering considerable volumes of petroleum products.

Mr. Davies added that arrangements were likewise being made for a tanker service from the western coast to Russia as it may be required.

SHANGHAI BRITONS' HARDSHIP

SHANGHAI, Aug. 1 (Reuter).—Owing to the hardship and inconvenience which the British blockade here imposes on British residents, London British banks are enabling Londoners for limited sums to cover living expenses and essential commitments.

According to instructions received here by local banks, from July 29 all balances, securities and gold in the United Kingdom of British residents in China, including corporate bodies or their subsidiaries in or outside China, are directly blocked.

The telegram goes on to give further particulars from which it appears that all sterling balances, securities and gold held in China by these banks on behalf of residents of China and Japan are also blocked.

Nanking Urged To Abrogate Extradition

SPECIAL TO THE "TELEGRAPH"

SHANGHAI, July 31 (UP).—Coincident with the establishment of the "Special Peace Preservation Corps" of 5,000 men commanded by Mr. Chen Kung-po, mayor of the Nanking regime's greater Shanghai Municipality, designed to "protect" Shanghai against alleged Chungking terrorists, the Japanese army's "Shin Shun Pao" editorially urges Nanking to take over the foreign concessions and to abrogate extraterritoriality.

"Unless these things are accomplished," the paper says, "China cannot be called an independent nation, and without them Japan can hardly depend on Nanking to co-operate in the building up of a New Order in East Asia."

ISOLATIONISM ABANDONED

SPECIAL TO THE "TELEGRAPH"
NEW YORK, July 31 (UP).—"Fortune" magazine asserts that a survey indicates that the United States has "abandoned isolationism and by a small margin is now in favour of taking the risk of a shooting war if that is necessary to beat Hitler."

The survey also indicated that most would accept such sacrifices as consumer taxes, curtailed pleasures and longer working hours.

Wider Powers For Mr Roosevelt

WASHINGTON, July 31 (Reuter).—Wider powers for President Roosevelt were agreed to by the House of Representatives' Military Committee to-day.

Adding two amendments to the previous version approved by the Senate, the Committee by 14 votes to 9 approved legislation authorising the President to seize military and naval equipment.

The President is also authorised to requisition supplies and munitions or machine tools and materials necessary for making such supplies and munitions.



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Silk and Rayon, plain or striped . . . from \$22.50

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DAIRY FARM KWONG CHAU HOTEL
And All Day at the STAR FERRY WHARF

ORGANIZED BY THE CHINA DEFENCE LEAGUE

HONGKONG SOCIETY FOR THE PROTECTION OF CHILDREN

THE SOCIETY ASKS FOR \$12,000
In 1941 to meet the increasing needs of sick and destitute children in Hongkong against which the income to date is \$10,000 only.
In order to continue its work, The Society appeals for the balance \$12,000 before the close of the financial year on 31st October.
The number of children assisted last year was 5,100.
Hon. Treasurers (from whom a copy of the annual report for 1940 may be obtained):
Mr. A. H. M. LAM, C.A.,
c/o Mackinnon Mackenzie & Co.,
P. & O. Building,
Mr. KWOK CHAN,
c/o The Bank of China, Ltd.,
2nd July, 1941.



Chinese Sappers In Ceremonial Parade

A brilliant turn-out aptly describes the ceremonial parade held this morning on Murray Parade ground by the 22nd Fortress Company and the 40th Fortress Company (Chinese personnel), to commemorate the fiftieth anniversary of the enlistment of the first Chinese Sapper into the Corps of Royal Engineers.

His Excellency Sir Geoffrey Northcote, Governor of Hongkong, took the salute on the dais while others present were His Excellency Major-General C. M. Maltby, General Officer Commanding the British Troops in China, the Hon. Mr. N. L. Smith, Colonial Secretary, the Hon. Mr. R. A. C. North, Secretary for Chinese Affairs, Brigadier Pefers, in charge of Administration, China Command, and Col. E. H. M. Clifford, R.E., Chief Engineer.

All senior officers commanding the various units in the Garrison were present in addition to Brig. J. T. W. Reeve, Brig. T. McLeod, Commodore (Captain) A. C. Collins, R.N., the Hon. Mr. J. P. Pennefather-Evans, Commissioner of Police, the Hon. Mr. M. K. Lo, the Hon. Mr. Li Tse-fong, the Hon. Mr. W. N. Thomas Tam and Col. H. B. Rose, Commandant of the Hongkong Volunteer Defence Corps.

The parade was under the command of Capt. H. C. G. Cartwright-Taylor, R.E., while the 22nd Fortress Engineer Company was in command of Capt. A. J. Le Seclieur, R.E., with 2/Lieut. G. O. Lawson, R.E., and 2/Lieut. J. T. Wakefield, R.E. The 40th Fortress Engineer Company was in command of Capt. C. E. Olway, R.E., with 2/Lieut. D. Holliday and 2/Lieut. T. S. Simpson, R.E.

The Band and Drums of the Royal Scots, by kind permission of Lieut. Col. D. J. McDougall, and officers, was in attendance.

The Chinese personnel presented a very smart appearance with their khaki hats and their arms drill public holiday.

Government House Sewing Centre of the B.W.O.F. will be closed on Monday, August 4, owing to the public holiday.

BRIGHTEN your SMILE with KOLYNOS

HAVE a SMILE That Men ADORE

There is nothing that can make your smile more attractive and alluring than clean, sparkling teeth.

If you want teeth that are really clean and that glisten when you smile, just try the Kolynos "dry brush" technique. That is, use only a half-inch of Kolynos on a dry brush. You will never know until you have tried this Kolynos way how your teeth will sparkle and how alluring your smile can be.

Try Kolynos today—you will be delighted with the results.

ECONOMIZE—BUY the LARGE TUBE

KOLYNOS
the economical DENTAL CREAM

NANCY



Veterans of Last War Relinquish Pensions

LONDON, July 31 (British Wireless).—Some £37,000,000 will be spent this year by the Ministry of Pensions in cases arising out of the last war. Minister of Pensions Sir Walter Womersley told the House of Commons to-day.

He revealed that there are approximately 818,000 pensioners and dependents from the war of 1914-18 and that a number of claims are still being received relating to disabilities arising out of war service. Sir Walter spoke of the patriotic spirit shown by pensioners, some 440 of whom had relinquished their pensions as their contribution to the war effort, while others had lent their pensions to the Government free of interest.

Awards in Present War
Regarding the present war, Sir Walter said that he had made 200 awards to members of the Home Guard injured on duty and 72,000 in cases of civilians injured in air raids. About 10,000 civilian pensions had been granted in respect of death, 6,000 being widows' pensions. The Minister said that he hoped soon to make a statement regarding the training of disabled men.

NAZIS IN S. AMERICA ALARMED

Funds To Switzerland

LONDON, July 31 (Reuters).—Nazi leaders, alarmed at recent anti-Nazi steps in South America, including the expulsion of the German Minister to Bolivia, have been transferring their funds to Switzerland, according to a well-informed source, says the Independent French Agency.

According to this source, a large number of high Nazi Party members, including Dr Robert Ley, the Nazi Labour Front leader and a director of the "Volkische Beobachter" have withdrawn their funds from South American banks during the past few days and have put them in Swiss banks.

BAN ON COTTON FROM SHANGHAI IS LIFTED

CHUNGKING, July 31 (Central News).—According to Shanghai dispatch, the Japanese Deputy Commissioner of the Shanghai Customs yesterday suddenly announced the lifting of the ban on the export of cotton goods, cereals, and fertilizers. The reason for the move, especially in regard to cotton goods, the dispatch states, is that of the cotton mills in Shanghai nearly 40 are owned and operated by Japanese merchants.

Talking Through His Hat

Paper Assails Senator
SPECIAL TO THE "TELEGRAPH"
NEW YORK, July 31 (UP).—The "New York Times" in an editorial to-day under the heading "Nonsense in the Senate," assailed Senator D. Worth Clark's proposal that the United States create puppet governments in Latin America. "This particular bit of nonsense will doubtless be distributed as widely as possible by the industrious Doctor Goebbels to whom it will come like manna from the skies. It can do harm if taken seriously. But we trust that our Latin American friends will not be so easily misled. Senator Clark's proposal was promptly and emphatically repudiated by President Roosevelt and Mr. Sumner Welles, and that they will recognize that Clark is talking through his hat and speaking for himself alone."

CAIRO, July 31 (Reuters).—Baron de Benoit, newly appointed Free French delegate to the Near East, officially took up duties at his office to-day, according to an independent French news agency. He marked the occasion by giving a reception at which Egyptian and foreign newspapermen were present.

Economic Defence Policies

New Board For U. S.

WASHINGTON, July 31 (Reuters).—President Roosevelt has created a Board to guide the general activities of Federal agencies in economic defence with Vice-President Mr Henry Wallace as its head. Other members are the Secretaries of State, Treasury, War, Navy, Agriculture, Commerce and the Attorney-General. The duties of the Board will include advising the President on economic defence measures to be taken or functions to be performed which are essential for the effective defence of the nation. The Board will also advise the President on steps to be taken to protect the trade position of the United States and the establishment of sound peace-time international relationships.

Chinese Newsman's London Speech

LONDON, July 31 (Reuters).—By keeping Japan bogged, said Mr H. D. Llew, London correspondent of the "Central News Agency" of China, lecturing to the Sino Institute, China defends the Pacific for America, prevents Japan from going southward in a major war and fights the eastern end of the Axis.

Thus China is in a true sense an ally of Great Britain and a pillar in the "A.B.C." and U.S.S.R. quadrilateral. The conquest of Indo-China was the prelude to a climax in the Pacific. The next move by Japan would be decisive.

Japanese Dilemma
She had been in a dilemma ever since Germany declared war on Russia without consulting Japan. It meant the bankruptcy of the Matsuoka policy. He had been sacrificed, but this meant a re-orientation of tactics, not of policy, which remained the same.

Mr Llew thought that Japan would not stand to gain any substantial advantages whatever the outcome of the world war while the defeat of the Axis would spell Japan's destruction.

"A Dispatch From Reuters"
Film to be Shown Here
One of the great romances of the last 90 years of international journalism has been the creation of "Reuters" news service. The story of that gigantic world-wide organization has now been made into one of the outstanding films of recent times, and it is to be screened in Hongkong as from August 10.

"A Dispatch from Reuters," which features Ed. C. Robinson as Julius Reuter, founder of the organization, has been vociferously applauded wherever it has been shown, and Hongkong, which through its newspapers is familiar with the famous credit title "Reuters," will doubtless welcome this magnificent film of an amazing man and his organization. Edna Best plays the part of Ida Magnus who married Reuter, while other personalities in the cast are Eddie Albert, Nigel Bruce, Otto Kruger, James Stephenson, Albert Basserman, Lumsden Hare, and Montagu Love.

Silk Shortage In Philadelphia

SPECIAL TO THE "TELEGRAPH"
PHILADELPHIA, July 31 (UP).—The first firm in the Philadelphia area to be affected by a shortage of Japanese silk is the Gotham Silk Hosiery Company which announced the closure of its Courtland mill, throwing 400 persons out of work. The announcement said that the mill would remain closed until new supplies of silk or rayon could be obtained. Union leaders said that the shut-down was "only the first" of an anticipated series.

Exchange At A Glance

SELLING	
T.T. London	1/2 3/4
Demand London	1/2 3/4
T.T. Shanghai	400 n.
T.T. Singapore	102 1/2 n.
T.T. Japan	102 1/2 n.
T.T. India	82 1/2 n.
T.T. U.S.A.	24 1/2
T.T. Manila	40 1/2
T.T. Batavia	40 1/2
T.T. Bangkok	149 1/2
T.T. Saigon	107
T.T. France	105
T.T. Switzerland	105
T.T. Australia	10 1/2
BUYING	
4 m/s L/C London	1/3 1/4
4 m/s D/P London	1/3 1/4
4 m/s L/C U.S.A.	25 1/4
4 m/s France	84 1/2
30 d/s India	84 1/2
U.S. Cross rate in London	4.02 1/2
U.S. Cross rate in N.Y.	...

General Review Of War

SPECIAL TO THE "TELEGRAPH"

NEW YORK, July 31 (UP).—Soviet troops are reported to be heavily counter-attacking east of Smolensk. Britain has staged an Arctic air attack to aid the Russians. Mr Harry Hopkins conferred with officials at Moscow on the war needs of the Red armies. These are the latest features of the war.

Marshal Semyon Budenny, commander on the southwestern front was reported by a Moscow radio broadcast to have issued a proclamation asserting that powerful Russian reinforcements have been brought up to enable the Soviets to strike heavy blows on the German forces. He appealed to persons in the occupied areas to intensify their guerrilla activity in a co-ordinated plan to "exterminate" the invaders.

The official German news agency admitted Soviet counter-attacks by infantry backed up by tanks which, it said, were repulsed with heavy losses. The agency claimed that among the Russian troops engaged were Soviet regiments from Siberia. Mr Harry Hopkins, accompanied by the American Ambassador, Mr Laurence Steinhardt saw M. Molotov this afternoon and is scheduled to hold a conference with M. Stalin. A British raid was directed at Kirovsk and Petsamo—used by the Germans in support of their operations against the nearby city of Murmansk. A Stockholm report stated that the operations against Murmansk had made but little headway.

Consumption Of Petrol In N.Z.

WELLINGTON, July 31 (Reuters).—The Minister of Supply, Mr Sullivan, has announced a 25 per cent. cut in the present private petrol ration which is eight gallons a month for large cars and four to six gallons for small cars. The reduction operates from August 1. All licences are being reviewed with a view to a further considerable reduction of consumption.

India Feels Drain

SIMLA, July 31 (Reuters).—Petrol may be rationed in India from August 15, according to an order issued by the Government of India. It is emphasized that in drawing up the order the Government had special attention to the objectives of ensuring the maintenance of essential services and a fair distribution to private consumers. The Government hope that private motorists will co-operate among other things by using cars only for absolutely emergent and essential purposes. It has hitherto been possible by careful planning on the part of shipping authorities and oil companies to maintain stocks of petrol at a level adequate to meet requirements, but the Government feel that a possible deterioration in the tanker position and have decided to take the present steps for the purpose of building up stocks to a still higher level.

A.R.P. Director Going To India This Month

Wing-Commander A. H. S. Steele-Perkins, Director of A.R.P., revealed this morning that he had accepted a new position in India and would be leaving for Delhi towards the end of August.

He declared that work on the air raid tunnels was proceeding apace and that new and additional entrances were being constructed.

Referring to the Arsenal Street tunnel, the Director said that it was being fitted out with electric and lamp lighting, first aid posts, stores and battle gates, the latter being used for the purpose of preventing people coming in from opposite directions, clashing and causing confusion. He hoped that this and other tunnels would be ready for public inspection in the near future.

Rationing Of Petrol In U.S.A.

WASHINGTON, July 31 (Reuters).—Moving towards compulsory restriction of the use of petrol, Mr Ickes, Secretary for the Interior, called on oil industries to close 100,000 petrol service stations in Eastern States between 7 p.m. and 7 a.m. on seven days a week, beginning August 3. The closing would affect all petrol stations on the Atlantic seaboard from Maine to Florida. During the closing, the voluntary rationing hitherto had not achieved the reduction which must be accomplished if we are to avoid more serious rationing later, Mr Ickes referred to the possibility of more serious rationing, including the issue of rationing cards. Besides the twelve Atlantic States, Mr Ickes' recommendation applies to the District of Columbia and parts of five other States. Asked whether stations refusing to comply with the recommendation would be prosecuted, Mr Ickes said "I don't believe we have the power to prosecute."

DONATIONS TO CAUSES Bomber Fund Up

The Bomber Fund "giant thermometer" rose by over two thousand dollars today as the result of splendid donations received during the day. The Kian Kwan Company (China) Ltd., of \$200, the Hongkong & Shanghai Banking Corp. Ltd. of \$100, came from "ex-Bayand" a fifth donation was received from Mr and Mrs E. A. Phillips, a second donation of \$50. There were also a number of smaller donations, bringing the total of the Fund to \$2,441,957.64.

The following monthly donations to the Bomber Fund were also received yesterday: E. A. B. Newton, \$25; Mrs G. M. Sinclair, \$10; Mr F. J. Duckworth, \$10; Mrs J. Grant, \$10; Mr R. C. Jones, \$10; Mr W. Hewitt, \$10; Mr L. D. Fortescue, \$10; "W. P. C.", \$10.

CHILD PROTECTION
The Hongkong Society for the Protection of Children announces the following donations collected during July, 1941: The Rotary Club of Hongkong, \$200; Mr D. L. Cochran (Life Membership), \$100; Mr and Mrs G. J. Angus, \$25; Anonymous, \$10; Mr H. B. Rev. and Mrs H. H. Wells, \$5; Police Magistrate, Kowloon (contribution for Leung Man), \$4; Donations acknowledged through the South China Morning Post, \$3. Total \$245. Further donations will be gladly accepted by the Hon. Treasurer, Mr A. McKellar, c/o Mackinnon Mackenzie & Co., P. & O. Building.

ST VINCENT DE PAUL
The Society of St Vincent de Paul acknowledges receipt of the following donations in memory of the late Mrs E. L. Rozario: Mrs J. C. Gutierrez, \$2; The M. J. Post has received the following donation to the Society of St Vincent de Paul in memory of the late Mrs L. D. da Silva, \$2.

S. C. M. POST
The S. C. M. Post has received the following donation to the Society for the Prevention of Cruelty to Animals: D. Cartwright, \$2.

TEACHERS' SALARIES
The Director of Medical Services gratefully acknowledges receipt of \$300 from the Hongkong Red Swastika Society for defraying the salaries of teachers at Tai Hang and Ngau Tau Kok Squatters Camps.

Minister To Iceland

WASHINGTON, July 31 (Reuters).—Mr Lincoln MacVeagh, formerly United States Minister to Greece, has been nominated by President Roosevelt as Minister to Iceland.

NAZIS IN IRAN Unlawful Activities Not Tolerated

TEHERAN, July 31 (Reuters).—Following reports that Nazi agents are active in Iran, the Government to-day gave an assurance that it had taken the necessary steps to maintain peace and order. An authoritative statement condemned alarmist rumours and says that the authors appear to be ignorant of conditions in Iran where law is strictly enforced on all persons without distinction. Moreover, since the world crisis, the Government is determined to safeguard the nation's neutrality and has redoubled its vigilance. **Foreigners Known**
The statement continues: "Nobody can disobey the regulations. The acts of business, conduct and way of life of all foreigners are known to the Government, thus making it impossible for them to over-step lawful boundaries and indulge in forbidden activities. We know their number and their names. It is in fact impossible to say that the figures that have appeared in this connection are greatly exaggerated."

GALLUP POLL ON WAR ISSUES

NEW YORK, July 31 (Reuters).—"Some people say now that Germany is fighting Russia as well as Britain. It is not so necessary for this country to help Britain; do you agree or disagree?" This question was put in a Gallup poll and elicited the following replies: Agree, 20 per cent, disagree 72 per cent, no opinion 8 per cent. The second question ran: "Since Germany will probably defeat Russia and then turn full strength against Britain, it is more important than ever we help Britain; do you agree or disagree?" Replies were: Agree 71 per cent, Disagree 19 per cent, no opinion 10 per cent.

MADE IN INDIA Arms Of All Kinds

SIMLA, July 31 (Reuters).—India is now the arsenal of the British countries east of Suez. She is now manufacturing the largest proportion of her own defence requirements as well as the eastern groups. The goods she makes cover a wide range: ships, tanks, guns, bolts, bridges, goggles and guns. She is now producing about 400 new articles including thirty new types of textile fabrics, some of which are "jute, cotton, union canvas" which substitute for jute fabrics in engineering stores, and is also manufacturing armoured bodies for vehicles, anti-submarine and anti-aircraft sea-going vessels, new types and calibres of modern artillery and ammunition, and degaussing cables.

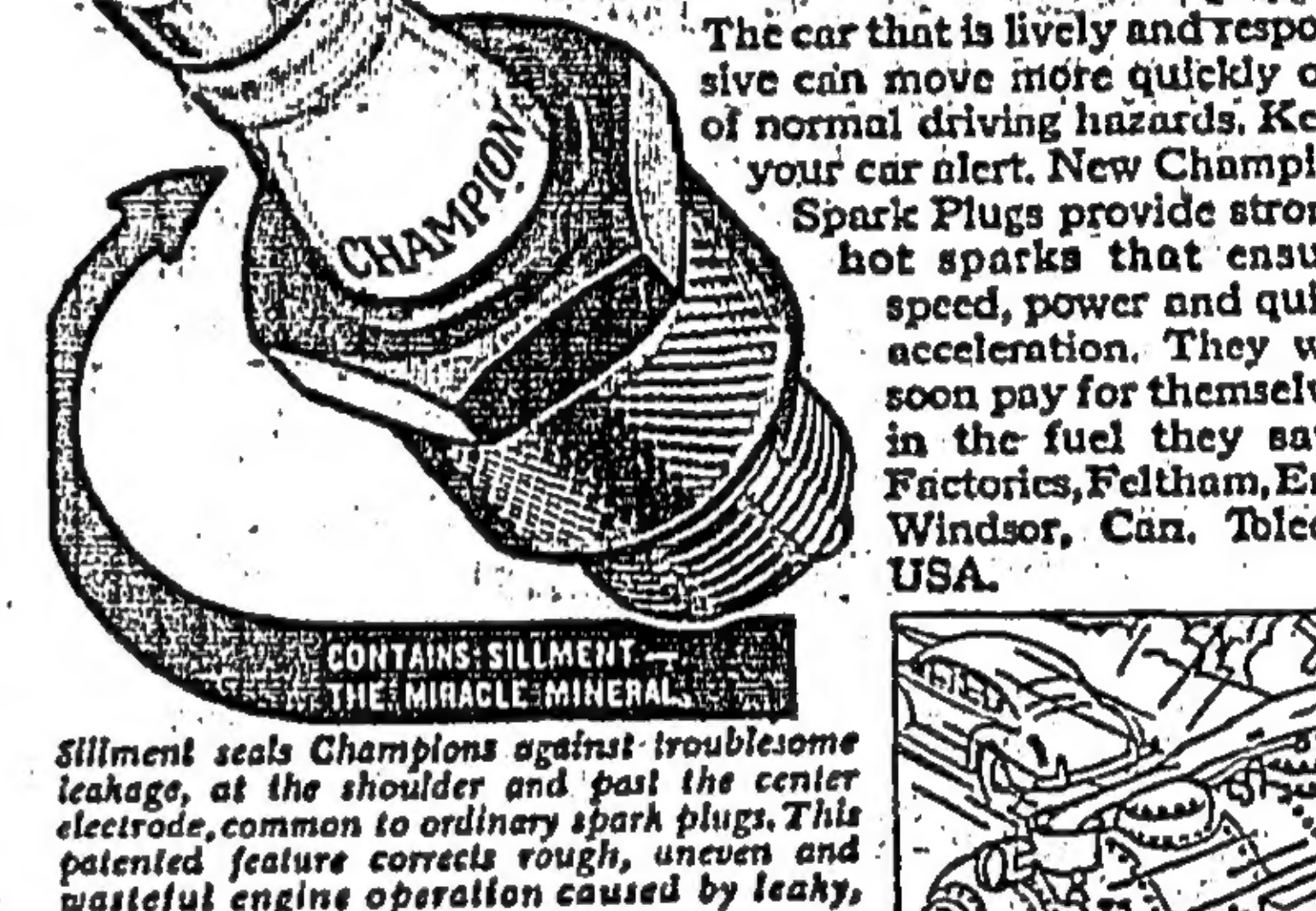
Offer To Train S. American Pilots

SPECIAL TO THE "TELEGRAPH"
WASHINGTON, July 31 (UP).—Informed circles state that the Administration will soon offer to train hundreds of South American pilots in the United States as part of the United States campaign to end the Axis control of commercial aviation in those countries. The immediate purpose of the project is to provide a large well trained corps of pilots to operate the new air lines which are to be organized after the expulsion of the Axis lines since a shortage of South American pilots would necessitate the hiring of American pilots to operate the new lines.



W. R. LOXLEY & CO., (China) LTD.

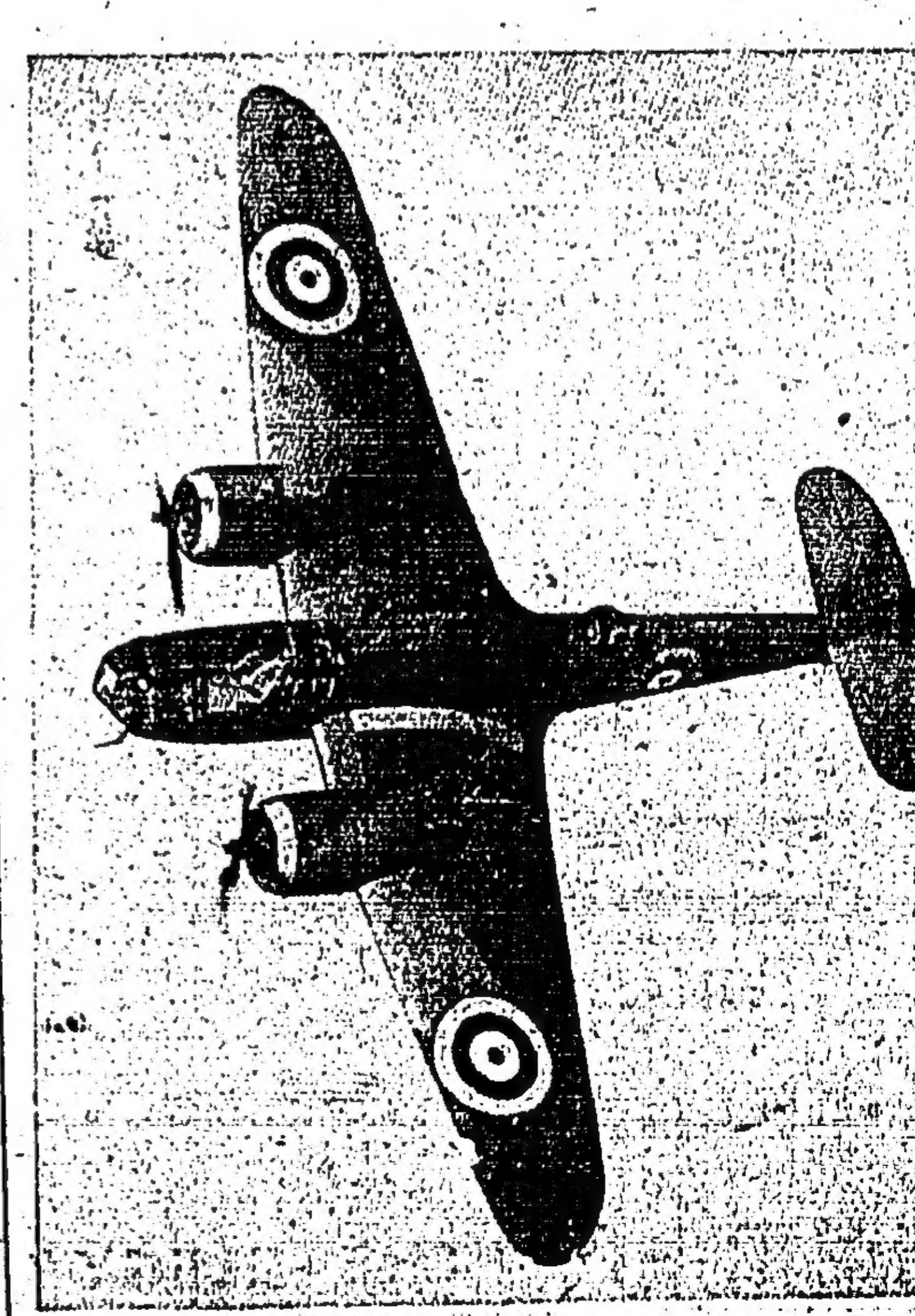
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Keep The Bomber Fund SOARING



1 — The Bristol Blenheim medium bomber.

Donations: \$2,441,957.64 Remitted to London: \$151,939.19.6d

INK

NEW SCREENING TIMES FROM TO-DAY
AT 2.30 - 5.30 - 7.45 - 9.45 P.M.



TALL, DARK and HANDSOME

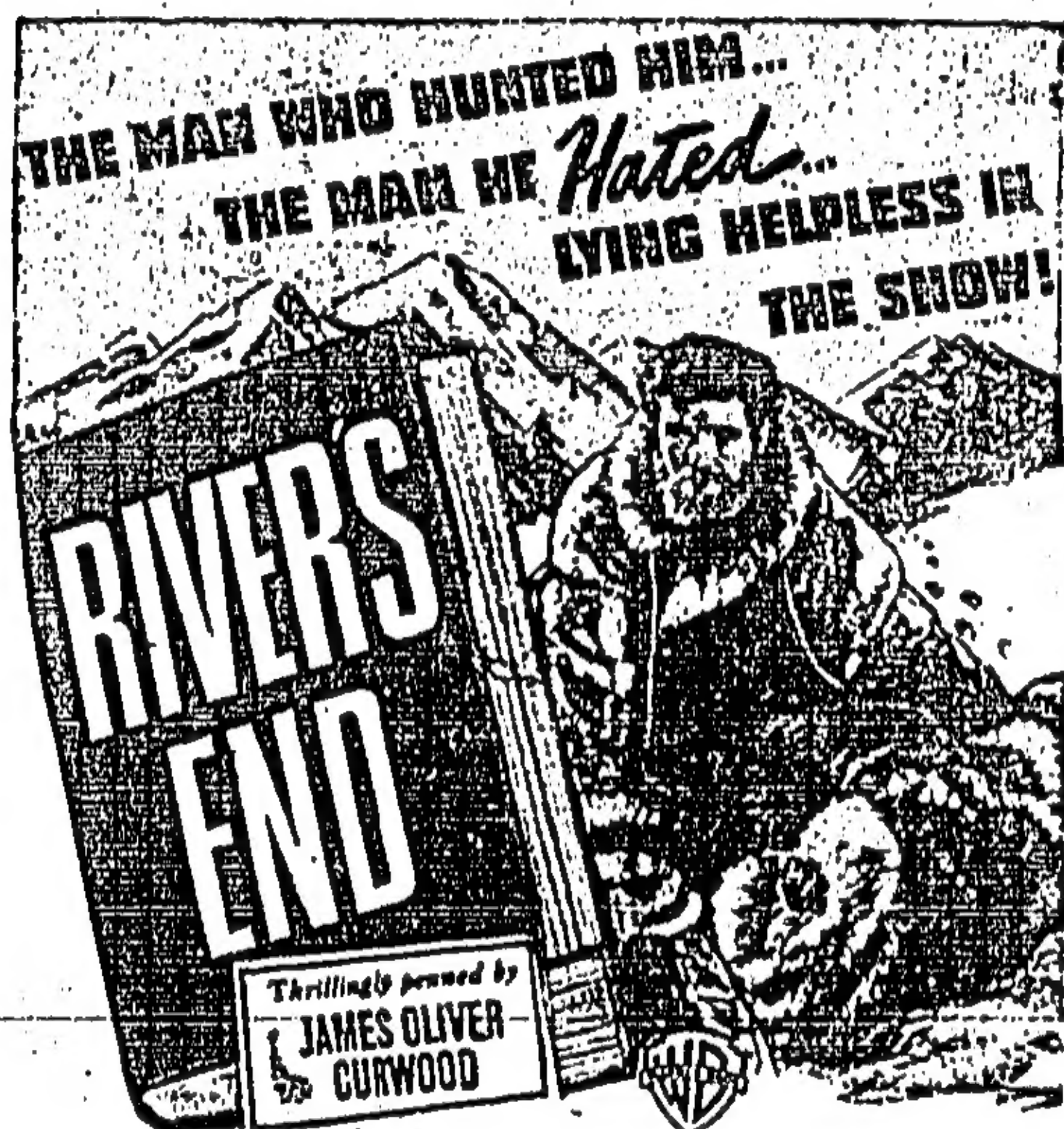
ROMERO • GILMORE
BERLE • GREENWOOD
SHEDDEN • LEONARD • FRANK JONES
STANLEY • CLARENCE • BARTLEY • PARKER
Directed by H. BRUCE HUNTERSTONE
Produced by H. Bruce Hunterstone
A M. C. L. PICTURE

NEXT CHANGE "ONE NIGHT IN THE TROPICS"

with ALLAN JONES - NANCY KELLY - DUBABOTT
LOW COSTELLO - ROBERT COMMINGS - A Universal Picture

ORIENTAL

FOR TO-DAY AND TO-MORROW
HERE'S WHERE CIVILIZATION ENDS AND THRILLS BEGIN!
Beyond the furthest reach of civilization, a hunter and his human quarry meet. There begins the most stirring adventure of the Northwest Mounted.



DENNIS MORGAN • GEO. TOBIAS

STARTS SUNDAY "HIGH SIERRA" IDA LUPINO
HUMPHRY BOGART
MATINEES: 30c, 40c. EVENINGS: 30c, 40c, 55c, 70c.

CATHAY

DAILY AT 2.30 5.15 7.20 & 9.30 P.M.

Matinees: 30c, 40c. Evenings: 30c, 40c, 55c, 70c.

TO-DAY & TO-MORROW

THE "HAPPY-GO-LAUGHING" MUSICAL HIT!

A world of gaiety, joy and romance sparkling with the melodies of VINCENT YOUmans. If you love a thrill for your eye, a thrill for your ear and thrill for your heart ... DON'T MISS IT!



STARTING SUNDAY: "CHAD HANNA" Henry Fonda
Linda Darnell

LEE THEATRE

SHOWING TO-DAY
A CHINESE DRAMA
IN MANDARIN

集續聲歌半夜 "THE ELEGY"

New places are springing up everywhere. But for best service and quality none can compare with your Old Favourite Restaurant.
THE CHANTECLER
TRY OUR POPULAR \$1.00 TIFFINS
Served in the Snack Bar

Decoux Wants To Maintain Relations

FROM PAGE ONE

Admiral Decoux declared that Indo-China would execute locally the recent agreements concluded by France and Japan.

Darlan Attached

ZURICH, July 31 (Reuter).—The German-controlled Paris press has opened a fresh and violent campaign against Admiral Darlan and the Vichy Government on grounds that since the beginning of the Russian campaign they had resumed a "Wait and See" policy as though Germany was eventually going to suffer defeat, says a Vichy correspondent.

The correspondent adds that M. Jean Luchaire, writing in the "Nouvelles Temps," complains that General de Gaulle's supporters have formed a bloc against the Vichy Cabinet which has shown incapacity to rally the friends of collaboration.

New Cabinet Wanted

The Government must be reconstituted in order to choose definitely between the "Wait and See" and collaboration policies.

Both newspapers, "L'Oeuvre" and "Nouvelles Temps," say that Vichy must realize that France is unable to save the remaining African colonies alone and urge military collaboration with Germany on the same terms as collaboration with Japan in Indo-China.

Russians Continue Offensives

FROM PAGE ONE

bombers took off to raid Soviet towns. A Soviet air unit raided enemy machines there and destroyed nine Junkers 88 and three Messerschmitts.

A flight of Soviet dive-bombers attacked two German patrol ships in the Baltic Sea one being damaged and the other escaping behind a smoke screen.

A naval observation post detained a motor boat containing ten strangers who proved to be Fascist diversions. All the "gangsters" were supplied with automatics and various faked documents.

STOCK MARKET REPORT

Hongkong Stock Exchange Official Summary, issued yesterday, is:

Buyers

H.K. Govt. 4% Loan 97.50

H.K. Govt. 3 1/2% Loan (1934) 94.50

H.K. Govt. 3 1/2% Loan (1940) 94.50

Canton Ins. \$225

H.K. Fire Ins. \$185

Providents \$5.70

Lands \$33.75

Chinese Estates \$101

Light "O" \$5.70

Electric "O" Rts \$10.60

Sellers

Electric "O" X. Rts \$22.25

Electric Rts \$11.10

Macau Electric \$18.60

Sales

H.K. Govt. 3 1/2% Loan (1934) 85

Wharves \$91

Macau Electric \$18.49

ECUADOR-PERU ARMISTICE

QUITO, July 31 (UP).—The President announced that hostilities between Peru and Ecuador would cease at 6 p.m. to-day.

PONIES FROM AUSTRALIA

The second batch of Australian ponies, comprising 16 griffins and 25 subscription ponies, have arrived in the Colony for the Hongkong Jockey Club. They were all shipped on deck in specially made stalls, and appear to have had a good trip on the way up.

Mr F. Breit, Chief Inspector of Junk and Cargo Boats, who has been in Australia on leave for the last four months, has returned to the Colony.

Mr H. Marriott of the Kowloon Dock Police informed the Police yesterday that between July 27 and 31 some person entered the store room of the Engine shop of the Kowloon Docks and stole 84 milling machine gear cutters worth \$2,000.

Accident At Customs Pass

Doctor Luckily There

Said to be in a fairly serious condition, Wong Yau, 28, was sent to hospital this morning following a traffic accident at Customs Pass.

Reporting the accident to the Police Chau Yuk-kwam, 403 Nathan Road, said that his lorry was descending Customs Pass at 20 miles per hour and private car No. 3002 was approaching from the opposite direction. At that time there were only four persons on the road and two of them were on his left walking abreast and the other two behind him. All were walking towards him.

Chau stated that he was then about 40 ft from the pedestrians and he sounded his horn several times. The pedestrian walking last dashed out into the roadway and looked at the private car as it passed. Chau said he was then only nine feet from the man. He applied his brakes but was unable to pull up in time to avoid hitting him.

It is learned that Dr J. B. Mackle of the Medical Department was in the private car.

After the mishap an ambulance was sent for and the injured man removed.

Interned Czech Communists

LONDON, July 31 (British Wire).—Replying to a question in the House of Commons to-day, Home Secretary Mr Herbert Morrison said that the cases of Communist ex-Deputies to the Czechoslovak Parliament, who were detained in British internment camps, were being reviewed by the Advisory Committee.

The Committee's report must be studied before he was able to consider the question of release.

LATE NEWS

Battle Still Raging In Smolensk Sector

FROM PAGE ONE

ing that Leningrad is enjoying normal life with the theatres and cinemas still functioning.

German Losses

LONDON, July 31 (UP).—General Sikorski, Prime Minister of Poland in a broadcast to Poland over the B.B.C. this evening estimated that close to one million Germans have been killed or wounded on the Russian front where, he said, almost four-fifths of the Reichswehr is engaged.

Latest Red Communique

MOSCOW, Aug. 1 (Reuter).—The following communique was issued by the Soviet Information Bureau early this morning:

"In the course of July 31 our troops fought the enemy in the directions indicated in the morning communique.

"Especially stubborn fighting developed in the Smolensk directions where our troops by counter-attacks threw back the enemy to his position and inflicted heavy losses upon him. "We captured prisoners and trophies.

Air Fighting

"Our air force, in co-operation with the land troops, dealt blows to enemy motorised and mechanised units and infantry.

"On July 30, 15 German planes were brought down in air combats. We lost eight planes. A flight of Soviet bombers attacked, in the Baltic area, two German patrol ships. One bomb hit the first ship and sank her. The second ship sustained heavy damage and escaped behind a smoke screen.

"Nine Junkers 88 and three Messerschmitts were destroyed on an enemy aerodrome deep in the enemy rear."

Berlin Report

BERLIN, July 31 (UP).—In the course of the large battle in the Smolensk sector the Luftwaffe yesterday and to-day destroyed 27 guns and 33 tanks, and during the operations against encircled formations destroyed 140 trucks, attacked Soviet airfields and other fortifications along concentrations, supply transports and rail facilities.

Japan Seeking Pact With Thai

FROM PAGE ONE

the "Supabburu," drawing attention to the respective procedure adopted by the two Powers when moving up their forces to the Thai border. The paper says that the British authorities always informed the Thai Government of every military movement near the Thai border, but the Government was still without official intimation regarding Japanese troop movements though a Japanese air base is reported to have been established three miles from the new Thai frontier with Cambodia.

Denies Grant of Bases

LONDON, July 31 (UP).—The Thailand Consulate-General here has denied any agreement with either Japan or Great Britain regarding the granting of bases. Thailand will not grant bases to anyone, he declared.

Lull In Desert Warfare

FROM PAGE ONE

fixed guns to the Allied troops, the communique adds.

Tank Action

LONDON, July 31 (Reuter).—Mention of British tank action in to-day's Italian communique is interpreted as significant in authoritative circles in London.

It is pointed out that the passage in the communique, read in conjunction with yesterday's official British announcement that the British garrison at Tobruk had wrested the initiative from the enemy, indicates a definite strengthening of the British position there.

BLOW-OUT PUTS CAR INTO TREE

Mr G. A. V. Hall of "Bellmere" at the 10 1/2 mile stone, Castle Peak, reported to the Police yesterday that at 9 p.m. while he was driving his car near the 10-mile stone, the rear side tyre burst causing the vehicle to run against a tree. The car was badly damaged. No persons were injured.

QUEEN'S & ALHAMBRA

NOTE NEW TIMES
2.30, 5.30, 7.45, 9.45

TO-DAY & TO-MORROW

Prepare Yourself for a Treat - - When a Group of Amazingly Talented Youngsters Display Their Musical Ability!



SUNDAY "ONE NIGHT IN LISBON"

Paramount Romantic Comedy
FRED MacMURRAY • MADELINE CARROLL
PATRICIA MORISON • BILLIE BURKE

STAR

NOTE NEW TIMES!
2.30, 5.30, 7.45 & 9.45 P.M.

To-day & To-morrow

LAURENCE OLIVIER
JOAN FONTAINE
"REBECCA"

SUNDAY

MICKEY ROONEY
"Andy Hardy Meets Debutante"

MAJESTIC

MATINEES: 30c-40c. EVENINGS: 30c-40c-60c-70c.

NEW TIMES FROM TO-DAY:
At 2.30, 5.30, 7.45 and 9.45 p.m.

TO-DAY & TO-MORROW

The Latest and Best of the "Cisco Kid" Adventures!



ADDED ATTRACTION:
LATEST MOVIE TONE NEWS
Directly after the King's Theatre

COMMENCING SUNDAY

THE EPIC OF THE MORMONS!

"BRIGHAM YOUNG"

TYRONE POWER - LINDA DARNELL - DEAN JAGGER
A 20th Century-Fox Super-Production!

Unlicensed Soldier Driver Fined \$10

Pleading guilty to driving a car without a licence, Pte. P. S. Davies, Royal Artillery, of Lynton Barracks, was fined \$10 by Mr H. G. Sheldon, K.C., at Central Magistracy this morning.

Sgt Dingsdale stated that Defendant was driving car No. 4303 along Gloucester Road on June 14, and when asked for his licence was not able to produce it.

Walked Into Car

Mrs Shaw of the China Light and Power Company Quarters, reported to the Police yesterday that while she was driving a car along Nathan Road near Hunghom a Chinese woman walked into the roadway and was struck by the car. The woman received slight injuries.

Mr S. M. McLaren of the Hongkong China Gas Company reported to the Police yesterday that two gas scyvers valued at \$100, were stolen from No. 19 Chatham Road, a vacant house.

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Obtainable at all

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Box of 25 \$10.—

Barrels of 25 \$15.—

Humidor of 25 \$10.—

Humidor of 50 \$19.—

DE LUXE Box of 10 \$ 5.—

DE LUXE Box of 25 \$11.—

DE LUXE Box of 50 \$21.—

DE LUXE—Camagon of 25 \$12.50

In CLASS TUBE—Box of 10 \$ 5.70